

Company Registration No. 199907443M

Plato Capital Limited and its Subsidiaries

Condensed Interim Financial Statements
For the six months ended 30 June 2022

Plato Capital Limited and its Subsidiaries

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Plato Capital Limited and its Subsidiaries

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group		Increase/ (decrease) %
		6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000	
<u>Continuing operations</u>				
Revenue	4	242	250	(3.2)
Other income	4	13	818	(98.4)
		255	1,068	(76.1)
<u>Other items of income/(expenses)</u>				
Employee benefits expenses		(347)	(323)	7.4
Depreciation and amortisation		(24)	(25)	(4.0)
Foreign exchange loss, net		(15)	(749)	(98.0)
Other operating expenses		(283)	(345)	(18.0)
Finance costs		(65)	(263)	(75.3)
Share of loss of joint ventures		(487)	(797)	(38.9)
Share of profit of associates		1,051	963	9.1
Profit/(loss) before taxation from continuing operations	6.1	85	(471)	NM
Tax expense		-	-	NM
Profit/(loss) for the period, net of tax from continuing operations		85	(471)	NM
<u>Discontinued operation</u>				
(Loss)/profit for the period, net of tax from discontinued operation	7	(5)	125	NM
Profit/(loss) for the period		80	(346)	NM
Other comprehensive (loss)/income:				
<u>Items that may be classified to profit or loss in subsequent periods (net of tax)</u>				
Share of foreign currency translation reserve of joint ventures		(371)	(512)	(27.5)
Share of foreign currency translation reserve of associates		(283)	(12)	NM
Foreign currency translation (loss)/gain		(837)	646	NM
<u>Items that will not be classified to profit or loss in subsequent periods (net of tax)</u>				
Fair value gain/(loss) on quoted equity investment at fair value through other comprehensive income		449	(618)	NM
Total other comprehensive loss for the period		(1,042)	(496)	NM
Total comprehensive loss for the period		(962)	(842)	14.3

Plato Capital Limited and its Subsidiaries

A. Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd.)

	Note	Group		Increase/ (decrease) %
		6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000	
Profit/(loss) attributable to:				
- Owners of the Company		(250)	(1,043)	(76.0)
- Non-controlling interests		330	697	(52.7)
		80	(346)	NM
Total comprehensive (loss)/income attributable to:				
- Owners of the Company		(935)	(1,789)	(47.7)
- Non-controlling interests		(27)	947	NM
		(962)	(842)	14.3
<u>(Loss)/earnings per share for (loss)/profit for the period attributable to the owners of the Company during the period:</u>				
Basic (Singapore cents)				
- from continuing operations	8	(2.01)	(9.59)	(79.0)
- from discontinued operation	8	(0.04)	1.03	NM
		(2.05)	(8.56)	(76.1)
Diluted (Singapore cents)				
- from continuing operations	8	(2.01)	(9.59)	(79.0)
- from discontinued operation	8	(0.04)	1.03	NM
		(2.05)	(8.56)	(76.1)

NM = Not Meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		30 June 2022 \$'000	31 Dec 2021 \$'000	30 June 2022 \$'000	31 Dec 2021 \$'000
Assets					
Non-current assets					
Property, plant and equipment	10	12,396	12,967	-	-
Right-of-use assets	11	-	25	-	-
Intangible assets	12	325	316	-	-
Investment in subsidiaries		-	-	33,462	33,474
Investment in joint ventures		14,015	14,650	-	-
Investment in associates		10,208	8,791	-	-
Investment securities	13	3,923	3,474	-	-
Trade receivables		434	427	-	-
Total non-current assets		41,301	40,650	33,462	33,474
Current assets					
Trade receivables		7,790	8,054	-	-
Other receivables and deposits		41	52	10	-
Prepaid operating expenses		52	55	7	15
Tax recoverable		16	13	-	-
Amounts due from subsidiaries		-	-	5,253	3,770
Amount due from a joint venture		91	95	-	-
Cash and cash equivalents		1,919	3,532	104	494
Total current assets		9,909	11,801	5,374	4,279
Total assets		51,210	52,451	38,836	37,753
Current liabilities					
Other payables and accruals		625	484	138	203
Amounts due to subsidiaries		-	-	5,423	5,450
Loans and borrowings	14	2,524	2,944	-	-
Total current liabilities		3,149	3,428	5,561	5,653
Net current assets/(liabilities)		6,760	8,373	(187)	(1,374)
Net assets		48,061	49,023	33,275	32,100

B. Condensed interim statements of financial position (cont'd.)

	Note	Group		Company	
		30 June 2022 \$'000	31 Dec 2021 \$'000	30 June 2022 \$'000	31 Dec 2021 \$'000
Equity					
Share capital	15	48,392	48,392	48,392	48,392
Fair value and other reserves		(3,109)	(3,558)	-	-
Foreign currency translation reserve		(8,731)	(7,597)	-	-
Retained earnings/ (accumulated losses)		4,377	4,627	(15,117)	(16,292)
Equity attributable to owners of the Company		40,929	41,864	33,275	32,100
Non-controlling interests		7,132	7,159	-	-
Total equity		48,061	49,023	33,275	32,100
Total equity and liabilities		51,210	52,451	38,836	37,753

C. Condensed interim statements of changes in equity

Group	<----- Attributable to owners of the Company ----->						Total equity
	Share capital	Fair value and other reserves	Foreign currency translation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2022							
Balance at 1 January 2022	48,392	(3,558)	(7,597)	4,627	41,864	7,159	49,023
(Loss)/profit for the period	-	-	-	(250)	(250)	330	80
Other comprehensive income/(loss):							
Fair value loss on quoted equity investment at fair value through other comprehensive income	-	449	-	-	449	-	449
Share of foreign currency translation reserve of joint ventures	-	-	(371)	-	(371)	-	(371)
Share of foreign currency translation reserve of associates	-	-	(198)	-	(198)	(85)	(283)
Foreign currency translation loss	-	-	(565)	-	(565)	(272)	(837)
Other comprehensive income/(loss) for the period, net of tax	-	449	(1,134)	-	(685)	(357)	(1,042)
Total comprehensive income/(loss) for the period	-	449	(1,134)	(250)	(935)	(27)	(962)
Balance at 30 June 2022	48,392	(3,109)	(8,731)	4,377	40,929	7,132	48,061

C. Condensed interim statements of changes in equity (cont'd.)

Group	<----- Attributable to owners of the Company ----->						Total equity
	Share capital	Fair value and other reserves	Foreign currency translation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021							
Balance at 1 January 2021	40,875	(315)	(6,650)	4,987	38,897	6,419	45,316
(Loss)/profit for the period	-	-	-	(1,043)	(1,043)	697	(346)
Other comprehensive (loss)/income:							
Fair value loss on quoted equity investment at fair value through other comprehensive income	-	(618)	-	-	(618)	-	(618)
Share of foreign currency translation reserve of joint ventures	-	-	(512)	-	(512)	-	(512)
Share of foreign currency translation reserve of associates	-	-	166	-	166	(178)	(12)
Foreign currency translation gain	-	-	218	-	218	428	646
Other comprehensive (loss)/income for the period, net of tax	-	(618)	(128)	-	(746)	250	(496)
Total comprehensive (loss)/income for the period	-	(618)	(128)	(1,043)	(1,789)	947	(842)
Transactions with owners:							
Conversion of Redeemable Convertible Unsecured Loan Stocks ("RCULS")	7,517	(1,164)	-	-	6,353	-	6,353
Reclassification of share options and share awards upon expiry	-	(671)	-	671	-	-	-
Total transactions with owners	7,517	(1,835)	-	671	6,353	-	6,353
Balance at 30 June 2021	48,392	(2,768)	(6,778)	4,615	43,461	7,366	50,827

C. Condensed interim statements of changes in equity (cont'd.)

Company	Share capital	Other reserves	Accumulated losses	Total equity
	\$'000	\$'000	\$'000	\$'000
2022				
Balance at 1 January 2022	48,392	-	(16,292)	32,100
Profit for the period, representing total comprehensive income for the period	-	-	1,175	1,175
Balance at 30 June 2022	48,392	-	(15,117)	33,275
2021				
Balance at 1 January 2021	40,875	2,260	(16,050)	27,085
Loss for the period, representing total comprehensive loss for the period	-	-	(141)	(141)
Transactions with owners:				
Conversion of RCULS	7,517	(1,164)	-	6,353
Reclassification of share options and share awards upon expiry	-	(671)	671	-
Total transactions with owners	7,517	(1,835)	671	6,353
Balance at 30 June 2021	48,392	425	(15,520)	33,297

D. Condensed interim consolidated statement of cash flows

	Group	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Cash flows from operating activities		
Profit/(loss) before taxation from continuing operations	85	(471)
(Loss)/profit before taxation from discontinued operation	(5)	125
Profit/(loss) before taxation	<u>80</u>	<u>(346)</u>
Adjustments for:		
Interest income from bank deposits	(13)	(6)
Interest income from provision of credit facilities	(242)	(250)
Interest expenses	65	263
Depreciation and amortisation	24	25
Share of loss of joint ventures	487	797
Share of profit of associates	(1,051)	(963)
Unrealised foreign exchange loss, net	14	652
Operating (loss)/profit before working capital changes	(636)	172
Decrease/(increase) in receivables	259	(211)
Increase/(decrease) in payables	17	(1,185)
Cash flows used in operations	(360)	(1,224)
Interest received from provision of credit facilities	234	250
Income tax paid	(3)	(22)
Net cash flows used in operating activities	(129)	(996)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(77)	(311)
Investment in associates	(648)	-
Investment in joint ventures	(223)	-
Dividend received from a joint venture	-	649
Net cash flows (used in)/generated from investing activities	(948)	338
Cash flows from financing activities		
Interest paid	-	(92)
Interest received from bank deposits	13	6
Advances from non-controlling interest of a subsidiary controlled by a substantial shareholder	(94)	(1)
Repayment to joint ventures	(3)	-
Repayment of bank borrowings	(317)	(217)
Repayment of principal portion of lease liabilities	(26)	(25)
Net cash flows used in financing activities	(427)	(329)

D. Condensed interim consolidated statement of cash flows (cont'd.)

	Group	
	6 months ended 30 June 2022	6 months ended 30 June 2021
	\$'000	\$'000
Net decrease in cash and cash equivalents	(1,504)	(987)
Effect of currency translation on cash and cash equivalents	(109)	80
Cash and cash equivalents at beginning of the financial period	3,532	2,323
Cash and cash equivalents at end of the financial period	1,919	1,416

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Plato Capital Limited (the "Company") is a limited liability company incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company is investment holding.

The principal activities of the Group are:

- (a) provision of credit facilities; and
- (b) investment holding in properties and securities.

2. Summary of significant accounting policies

2.1 Basis of preparation

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

The condensed interim financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies as set out below.

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

Fundamental accounting concept

The condensed interim financial statements have been prepared on a going concern basis notwithstanding the Group generated negative operating cash flows of \$0.13 million (30 June 2021: \$1.00 million) as the Directors are of the view that the Group will continue as a going concern.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

2. Summary of significant accounting policies (cont'd.)

2.1 *Basis of preparation (cont'd.)*

Fundamental accounting concept (cont'd.)

The Directors' view is based on the following:

- the Group's ability to continue to have access to the revolving credit facility available to the Group with the support of Mr Lim Kian Onn ("Mr LKO") as guarantor to the revolving credit facility. As at the date of these condensed interim financial statements, Mr LKO has provided a commitment to the Group to continue to provide and not withdraw such personal guarantee so as to enable the Group to have continuous access to the revolving credit facility;
- the Group will be able to generate sufficient cash flows from its operating and investing activities; and
- the Group will be able to secure additional borrowings by securing its long-term assets which are currently unencumbered.

2.2 *Changes in accounting policies and disclosures*

New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except that in the current financial period, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8: <i>Definition of Accounting Estimates</i>	1 January 2023

E. Notes to the condensed interim consolidated financial statements (cont'd.)

2. Summary of significant accounting policies (cont'd.)

2.3 Standards issued but not yet effective (cont'd.)

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to SFRS(I) 1-12: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sales or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

The Directors expect that the adoption of the above standards will have no material impact on the condensed interim financial statements in the period of initial application.

2.4 Use of judgements and estimates

The preparation of the Group's condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Management is of the opinion that there are no significant judgements made in applying accounting policies or key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts recognised in the condensed interim financial statements.

3. Seasonal operations

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

E. Notes to the condensed interim consolidated financial statements (cont'd.)

4. Segment and revenue information

The Group is organised into the following main business segments:

- Investment activities;
- Corporate and others; and
- Information technology ("IT") operations. This segment has been classified as a discontinued operation during the financial period (Note 7).

These operating segments are reported in a manner consistent with internal reporting provided to the management who is responsible for allocating resources and assessing performance of the operating segments.

Plato Solutions Sdn Bhd ("PSSB") represented the entirety of the Group's IT operations segment. With the IT operations segment being classified as discontinued operation, the entire results from the segment have been presented separately on the consolidated statement of profit or loss and other comprehensive income as "Discontinued operation" for the period ended 30 June 2022 (Note 7).

4.1 Reportable segments

	Investment activities \$'000	Corporate and others \$'000	IT operations (Discontinued operation) \$'000	Consolidated \$'000
1 January 2022 to 30 June 2022				
Sales to external customers	242	-	-	242
Revenue from external parties	242	-	-	242
Interest income from bank deposits	13	-	-	13
Total other income	13	-	-	13
Total revenue and other income	255	-	-	255
Finance costs	(65)	-	-	(65)
Depreciation and amortisation	(24)	-	-	(24)
Share of loss of joint ventures	(487)	-	-	(487)
Share of profit of associates	1,051	-	-	1,051
Segment (loss)/profit before tax	(1,074)	1,159	(5)	80
Taxation				-
Profit for the interim period				80

E. Notes to the condensed interim consolidated financial statements (cont'd.)

4. Segment and revenue information (cont'd.)

4.1 Reportable segments (cont'd.)

	Investment activities	Corporate and others	IT operations (Discontinued operation)	Consolidated
	\$'000	\$'000	\$'000	\$'000
30 June 2022				
Segment assets	34,385	16,747	62	51,194
Tax recoverable				16
Total assets per statement of financial position				<u>51,210</u>
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	77	-	-	77
- Total investments in associates and joint ventures	24,223	-	-	24,223
	<u>24,300</u>	-	-	<u>24,300</u>
Segment liabilities	314	2,710	125	3,149
Deferred tax liabilities				-
Total liabilities per statement of financial position				<u>3,149</u>

E. Notes to the condensed interim consolidated financial statements (cont'd.)

4. Segment and revenue information (cont'd.)

4.1 Reportable segments (cont'd.)

	Investment activities	Corporate and others	IT operations (Discontinued operation)	Consolidated
	\$'000	\$'000	\$'000	\$'000
1 January 2021 to 30 June 2021				
Sales to external customers	250	-	282	532
Revenue from external parties	250	-	282	532
Interest income from bank deposits	-	6	-	6
Miscellaneous income	810	2	-	812
Total other income	810	8	-	818
Total revenue and other income	1,060	8	282	1,350
Finance costs	(263)	-	-	(263)
Depreciation and amortisation	(25)	-	-	(25)
Share of loss of joint ventures	(797)	-	-	(797)
Share of profit of associates	963	-	-	963
Segment loss before tax	(103)	(368)	125	(346)
Taxation				-
Loss for the interim period				(346)

E. Notes to the condensed interim consolidated financial statements (cont'd.)

4. Segment and revenue information (cont'd.)

4.1 Reportable segments (cont'd.)

	Investment activities	Corporate and others	IT operations (Discontinued operation)	Consolidated
	\$'000	\$'000	\$'000	\$'000
30 June 2021				
Segment assets	51,222	6,781	407	58,410
Tax recoverable				22
Total assets per statement of financial position				<u>58,432</u>
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	311	-	-	311
- Total investments in associates and joint ventures	30,671	-	-	30,671
	<u>30,982</u>	-	-	<u>30,982</u>
Segment liabilities	3,983	226	3,393	7,602
Deferred tax liabilities				3
Total liabilities per statement of financial position				<u>7,605</u>

E. Notes to the condensed interim consolidated financial statements (cont'd.)

4. Segment and revenue information (cont'd.)

4.2 Disaggregation of revenue

	Group			Total
	6 months ended 30 June 2022			
	Investment activities	Corporate and others	IT operations (Discontinued operation)	
	\$'000	\$'000	\$'000	\$'000
Types of goods or services:				
Interest income from provision of credit facilities	242	-	-	242
Total revenue	242	-	-	242
Timing of revenue recognition:				
Over time	242	-	-	242
Total revenue	242	-	-	242
Geographical information:				
Malaysia	242	-	-	242
Total revenue	242	-	-	242

	Group			Total
	6 months ended 30 June 2021			
	Investment activities	Corporate and others	IT operations (Discontinued operation)	
	\$'000	\$'000	\$'000	\$'000
Types of goods or services:				
License fees and services	-	-	113	113
Service maintenance	-	-	169	169
Interest income from provision of credit facilities	250	-	-	250
Total revenue	250	-	282	532
Timing of revenue recognition:				
At a point in time	-	-	113	113
Over time	250	-	169	419
Total revenue	250	-	282	532
Geographical information:				
Malaysia	250	-	282	532
Total revenue	250	-	282	532

E. Notes to the condensed interim consolidated financial statements (cont'd.)

5. Financial assets and financial liabilities

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

	Group		Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Financial Assets				
Financial assets at fair value through other comprehensive income	3,756	3,307	-	-
Financial assets at fair value through profit or loss	167	167	-	-
Total financial assets measured at fair value	3,923	3,474	-	-
Trade receivables	8,224	8,481	-	-
Other receivables and deposits	41	52	10	-
Tax recoverable	16	13	-	-
Amounts due from subsidiaries	-	-	5,253	3,770
Amount due from a joint venture	91	95	-	-
Cash and cash equivalents	1,919	3,532	104	494
Total financial assets measured at amortised cost	10,291	12,173	5,367	4,264
Financial Liabilities				
Other payables and accruals	625	484	138	203
Amounts due to subsidiaries	-	-	5,423	5,450
Loans and borrowings	2,524	2,944	-	-
Total financial liabilities measured at amortised cost	3,149	3,428	5,561	5,653

E. Notes to the condensed interim consolidated financial statements (cont'd.)

6. Profit/(loss) before taxation from continuing operations

6.1 Significant items

	Group	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Income		
Interest income	13	6
Reversal of provision for legal fees	-	810
	<hr/>	<hr/>
Expenses		
Finance costs	(65)	(263)
Depreciation and amortisation	(24)	(25)
Foreign exchange loss, net	(15)	(749)
	<hr/>	<hr/>

6.2 Related party transactions

(a) Significant transactions between the Group and related parties

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

	Group	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Lease payments to Noblemen Holdings Sdn Bhd, a company in which a substantial shareholder has interest	24	25
	<hr/>	<hr/>
RCULS interest payable to Mr LKO	-	10
	<hr/>	<hr/>

E. Notes to the condensed interim consolidated financial statements (cont'd.)

6. Profit/(loss) before taxation from continuing operations (cont'd.)

6.2 Related party transactions (cont'd.)

(b) Compensation of key management personnel

	Group	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Directors' fees	79	59
Short-term employee benefits	170	201
Defined contribution plans	26	18
Total compensation paid to key management personnel	<u>275</u>	<u>278</u>
Comprise amounts paid to:		
- Directors of the Company	169	139
- Other key management personnel	106	139
	<u>275</u>	<u>278</u>

The remuneration of key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

7. Discontinued operation

On 3 December 2021, the Group had announced that its wholly-owned subsidiary, PSSB shall cease ("Cessation") its information technology systems integration and distribution of software business with effect from 1 January 2022.

As at 30 June 2022, the results of PSSB have been presented separately on the consolidated statement of profit or loss and other comprehensive income as "(Loss)/profit after taxation for the period from discontinued operation" and its assets and liabilities have been presented in the statements of financial position as "Current assets classified as discontinued operation" and "Current liabilities classified as discontinued operation" respectively.

The results of PSSB for the period are presented below:

	Group	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Sales to external customers	-	282
Expenses	(5)	(157)
(Loss)/profit before taxation from discontinued operation	(5)	125
Tax expense	-	-
(Loss)/profit for the period from discontinued operation	(5)	125

The net cash flows incurred by PSSB are as follows:

	Group	
	30 June 2022 \$'000	30 June 2021 \$'000
Operating	383	370
Financing	(315)	(162)
Effect of currency translation on cash and cash equivalents	(7)	78
Net cash inflow	61	286

E. Notes to the condensed interim consolidated financial statements (cont'd.)

8. (Loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing (loss)/profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted (loss)/profit per share is calculated by dividing (loss)/profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the (loss)/profit and share data used in the computation of basic and diluted (loss)/earnings per share for the financial period:

	Group	
	6 months ended 30 June 2022	6 months ended 30 June 2021
(Loss)/profit attributable to owners of the Company (\$'000):		
- from continuing operations	(245)	(1,168)
- from discontinued operation	(5)	125
	<u>(250)</u>	<u>(1,043)</u>
Weighted average number of Shares for basic and diluted (loss)/earnings per share computation	<u>12,178,185</u>	<u>12,178,185</u>
Basic (loss)/earnings per share (Singapore cents):		
- from continuing operations	(2.01)	(9.59)
- from discontinued operation	(0.04)	1.03
	<u>(2.05)</u>	<u>(8.56)</u>
Diluted (loss)/earnings per share (Singapore cents):		
- from continuing operations	(2.01)	(9.59)
- from discontinued operation	(0.04)	1.03
	<u>(2.05)</u>	<u>(8.56)</u>

Share options granted pursuant to the Plato Employee Share Option Scheme 2016 ("Plato ESOS 2016") and share awards granted pursuant to the Plato Performance Share Plan 2016 ("Plato PSP 2016") have not been included in the calculation of the diluted (loss)/earnings per share because they are anti-dilutive.

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

9. Net Asset Value

	Group		Company	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Net asset value per ordinary share (Singapore cents)	336.08	343.76	273.23	263.58
Number of ordinary shares in issue (excluding treasury shares)	12,178,185	12,178,185	12,178,185	12,178,185

The Group's and the Company's net asset value per ordinary share as at 30 June 2022 and 31 December 2021 were calculated based on the Group's and the Company's net assets attributable to owners of the Company over the number of ordinary shares in issue (excluding treasury shares) at the respective reporting dates.

10. Property, plant and equipment

During the six months ended 30 June 2022, the Group acquired assets amounting to \$0.08 million (31 December 2021: \$0.46 million). No disposal of assets noted for the financial period ended 30 June 2022 and 31 December 2021.

11. Right-of-use assets

	Group	
	30 June 2022 \$'000	31 December 2021 \$'000
At beginning of the financial period/year	25	75
Amortisation	(24)	(49)
Exchange differences	(1)	(1)
At end of the financial period/year	-	25

Right-of-use assets relate to the Group's lease contracts of its office premise.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

12. Intangible assets

	<u>Group</u>	
	<u>30 June</u> <u>2022</u> <u>\$'000</u>	<u>31 December</u> <u>2021</u> <u>\$'000</u>
Trademarks		
At beginning of the financial period/year	316	309
Exchange differences	9	7
At end of the financial period/year	<u>325</u>	<u>316</u>

Trademarks relate to the costs incurred on the "ORMOND" and "MoMo's" hotel brands. The trademarks have been granted by the subsidiaries of the Company, Ormond (HK) Limited and Plato Capital Holdings Limited ("the Licensors") respectively to Ormond Group Pte Ltd, a joint venture of the Company the rights to use the trademarks for the purpose of developing, operating and/or managing hotels.

13. Investment securities

	<u>Group</u>	
	<u>30 June</u> <u>2022</u> <u>\$'000</u>	<u>31 December</u> <u>2021</u> <u>\$'000</u>
At fair value through other comprehensive income		
- Quoted securities in Malaysia	3,756	3,307
At fair value through profit or loss		
- Unquoted preference shares in Malaysia	167	167
	<u>3,923</u>	<u>3,474</u>

The fair values of the quoted equity securities are based on closing quoted market prices on the last market day of the financial period (Level 1 of the fair value hierarchy as shown in Note 13.1).

The investment in unquoted preferences shares represents the Group's subscription of preference shares in an associate, Educ8 Group Sdn Bhd ("Educ8"), which is categorised at fair value through profit or loss.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

13. Investment securities (cont'd.)

13.1 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date **(Level 1)**;
- (b) Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly or indirectly **(Level 2)**; and
- (c) Unobservable inputs for the asset or liability **(Level 3)**.

The following table presented the financial assets measured at fair value:

Group	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2022				
Financial assets				
Financial assets at fair value through other comprehensive income				
- Quoted securities	3,756	-	-	3,756
Financial assets at fair value through profit or loss				
- Unquoted preference shares	-	-	167	167
	<u>3,756</u>	<u>-</u>	<u>167</u>	<u>3,923</u>
31 December 2021				
Financial assets				
Financial assets at fair value through other comprehensive income				
- Quoted securities	3,307	-	-	3,307
Financial assets at fair value through profit or loss				
- Unquoted preference shares	-	-	167	167
	<u>3,307</u>	<u>-</u>	<u>167</u>	<u>3,474</u>

E. Notes to the condensed interim consolidated financial statements (cont'd.)

14. Loans and borrowings

	Group		Company	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Amount repayable within one year or on demand				
Unsecured				
- Revolving credits	2,524	2,917	-	-
- Lease liabilities	-	27	-	-
Total loans and borrowings	2,524	2,944	-	-

14.1 Details of any collateral

The revolving credit facility obtained by a subsidiary of the Company, secured by corporate guarantee by the Company and personal guarantee by Mr LKO.

The revolving credit facility is denominated in Ringgit Malaysia ("RM").

14.2 Contingent liabilities

The Company has provided a proportionate guarantee for a principal sum of up to RM28.74 million (equivalent to approximately \$9.07 million) (31 December 2021: RM28.74 million (equivalent to approximately \$9.31 million)) in relation to a term loan facility granted by a licensed bank to Epsom College Malaysia Sdn Bhd ("Epsom"), a subsidiary of Educ8.

As at 30 June 2022, Epsom is in compliance with the covenant of the term loan. The Group has assessed and concluded that there is no indication that the proportionate guarantee would be called given that the term loan is also secured over the freehold land and buildings of Epsom.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

15. Share Capital

	Group and Company			
	30 June 2022		31 December 2021	
	Number of shares	Amount \$	Number of shares	Amount \$
Issued and fully paid ordinary shares				
At beginning of the financial period/year	12,178,185	48,391,558	9,735,025	40,875,023
Conversion of RCULS	-	-	2,443,160	7,516,535
At end of the financial period/year	<u>12,178,185</u>	<u>48,391,558</u>	<u>12,178,185</u>	<u>48,391,558</u>

Share Capital

On 26 April 2021, share capital increased from \$40,875,023 to \$48,391,558 pursuant to the conversion of remaining 62 RCULS into 2,443,160 new ordinary shares in the capital of the Company by Mr LKO amounted to \$7,516,535.

Thereafter, there was no change in the share capital up to 30 June 2022.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

15. Share Capital (cont'd.)

Convertibles

RCULS

The Company had on 27 May 2016 issued 100 RCULS due in 2021, each with a principal value of \$100,000 amounting in aggregate to a principal amount of \$10,000,000 to Mr LKO.

On 15 July 2016, Mr LKO had converted 38 RCULS valued at \$3,800,000 and accrued interest of \$2,499 into 29,249,989 ordinary shares in the capital of the Company based on conversion price of \$0.13 each.

Pursuant to the Share Consolidation Exercise on 22 July 2020, the conversion price had been revised from \$0.13 to \$2.60 per new ordinary share.

On 26 April 2021, Mr LKO had converted all remaining 62 RCULS valued at \$6,200,000 and accrued interest of \$152,216 into 2,443,160 new ordinary shares in the capital of the Company at the conversion price of \$2.60 per new ordinary share.

Plato ESOS 2016

Under the Plato ESOS 2016, the Company had on 17 June 2016 granted 10,478,584 share options ("Share Options") to eligible directors and employees of the Group. No Share Options have been exercised since they were granted.

Pursuant to the Share Consolidation Exercise on 22 July 2020, the number of Share Options had been adjusted accordingly to 461,884 at a revised exercise price of \$2.00 per new ordinary share.

On 16 June 2021, a total of 193,026 Share Options granted to the eligible directors had expired and not exercised by any of the eligible directors. Meanwhile, a total of 62,044 Share Options granted to an eligible key management personnel had lapsed upon his resignation on 31 December 2021. As such, total Share Options of \$730,355 were reclassified within equity, from fair value and other reserves to retained earnings.

As at 30 June 2022, the remaining balance of 206,814 Share Options is convertible into 206,814 (31 December 2021: 206,814) ordinary shares of the Company, representing 1.7% (31 December 2021: 1.7%) of the issued share capital as at 30 June 2022.

E. Notes to the condensed interim consolidated financial statements (cont'd.)

15. Share Capital (cont'd.)

Convertibles (cont'd.)

Plato PSP 2016

Under the Plato PSP 2016, the Company had on 17 June 2016 granted awards comprising 5,239,296 shares ("Share Awards") to eligible directors and employees of the Group.

Pursuant to the Share Consolidation Exercise on 22 July 2020, the number of Share Awards had been adjusted accordingly to 230,942.

No Share Awards have been released and vested and the Share Awards had lapsed on 16 June 2021. The lapsed Share Awards of \$365,178 were reclassified within equity, from fair value and other reserves to retained earnings.

Save as disclosed, the Company did not have any other outstanding convertibles as at 30 June 2022 and 31 December 2021.

Treasury Shares and Subsidiary Holdings

The Company did not have any treasury shares or subsidiary holdings as at 30 June 2022 and 31 December 2021. As such, there were no sales, transfers, disposal, cancellation and/or use of treasury shares and subsidiary holdings as at the end of the current financial period reported on.

16. Subsequent events

There are no known subsequent events which have led to adjustments of this set of condensed interim financial statements.

F. Other information required by Appendix 7C of the Catalist Rules

1. Review

The condensed consolidated statement of financial position of Plato Capital Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

The Group's latest financial statements for the financial year ended 31 December 2021 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of performance of the Group

Six-month period ended 30 June 2022 ("1H2022") vs six-month period ended 30 June 2021 ("1H2021")

Consolidated statement of profit or loss and other comprehensive income

Overall the net loss attributable to owners of the Company in 1H2022 reduced to \$0.25 million from a net loss of \$1.04 million in 1H2021.

Revenue of \$0.24 million reported in 1H2022 relates to interest income from the provision of credit facilities by Plato Capital Sdn Bhd ("PCSB").

Other income decreased significantly to \$0.01 million in 1H2022 compared to \$0.82 million in 1H2021. Other income in 1H2021 included the reversal of provision for legal and professional fees of \$0.81 million in relation to the development of Ormond Hotel in Dublin by a subsidiary company, Monteco Holdings Limited ("Monteco"). In the previous financial years, Monteco made provision for legal and professional fees on prudence grounds in defending actions against the Section 160 Planning and Development Act 2000 injunction application ("Section 160") and nuisance claims initiated by the neighbours (being the owners and tenant of the property adjoining to the development site of Ormond Hotel). In 1H2021, the Section 160 and nuisance claims had been settled and struck-out of court, hence the legal and professional fees previously provisioned for had been reversed and classified as other income.

Foreign exchange net loss decreased from \$0.75 million in 1H2021 to \$0.02 million in 1H2022 mainly due to the Euro Dollar ("EUR") and Australian Dollar ("AUD") weakening to a lesser extent against the reporting currency of Singapore Dollar ("SGD").

Other operating expenses reduced by 18.0% in 1H2022 mainly due to lower legal and professional fees incurred by Monteco on the development of the Ormond Hotel in Dublin.

Finance costs decreased by 75.3% in 1H2022 mainly due to partial repayments of bank borrowings between 1H2022 and 1H2021.

F. Other information required by Appendix 7C of the Catalist Rules (cont'd.)

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

Six-month period ended 30 June 2022 ("1H2022") vs six-month period ended 30 June 2021 ("1H2021") (cont'd.)

Consolidated statement of profit or loss and other comprehensive income (cont'd.)

The Group recorded a share of loss of joint ventures, amounting to \$0.49 million in 1H2022, mainly due to the share of loss in OHG Services Sdn Bhd ("OHGSB") and Ormond Lifestyle Services Sdn Bhd ("OLSSB"), 50% owned joint venture companies that operate the hotel and food and beverage operations at Tune Hotel KLIA 2 respectively, as well as share of loss in TP Hotel (Flinders) Trust ("TPHFT"). The financial performance of Tune Hotel KLIA 2 continues to be affected by the effects of the Covid-19 pandemic. The financial performance of Tune Hotel KLIA 2 showed improvements in 1H2022, particularly from 1 April 2022 onwards as Malaysia reopened its borders to all countries for quarantine-free travel with no mandatory quarantine requirements.

The Group recorded a higher share of profit from associates of \$1.05 million in 1H2022 compared to \$0.96 million in 1H2021. The share of profit from TYKC Capital Sdn Bhd ("TYKC") was reported at \$1.19 million, reflecting a strong demand from customers for its precision engineering components and assemblies. This was partially offset by the share of loss from another associate, Educ8 that owns and manages an international school in Malaysia. As the number of fee paying students continues to increase, which in turn contributes to higher revenue and bottom line, the share of loss from Educ8 has narrowed from \$0.35 million to \$0.14 million.

On other comprehensive income, the Group recorded a fair value gain on quoted equity investment of \$0.45 million in 1H2022 in line with the increase in market price of ECM Libra Group Berhad ("ECM") shares, compared to a fair value loss on quoted equity investment of \$0.62 million in 1H2021 due to drop in market price of ECM shares.

Share of loss in foreign currency translation reserve of joint ventures reduced by 27.5% in 1H2022 mainly due to unrealised foreign exchange loss on translation of unitholders' advances receivable from TPHFT in view of AUD weakening to a lesser extent against the reporting currency of SGD.

The Group recorded a foreign currency translation loss of \$0.84 million in 1H2022 mainly due to weakening of EUR and RM against the reporting currency of SGD in 1H2022, compared to a foreign currency translation gain of \$0.65 million 1H2021 mainly contributed by strengthening of US Dollar ("USD") against the reporting currency of SGD.

Consolidated statement of financial position

Property, plant and equipment ("PPE") decreased from \$12.97 million to \$12.40 million mainly due to the effect of currency translation loss of \$0.65mil in view of the weakening of EUR against SGD, partially net off by PPE additions of \$0.08mil during the financial period.

Right-of-use assets decreased from \$0.03 million to \$Nil mainly due to lease contract being fully amortised during the financial period.

F. Other information required by Appendix 7C of the Catalist Rules (cont'd.)

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

Six-month period ended 30 June 2022 ("1H2022") vs six-month period ended 30 June 2021 ("1H2021") (cont'd.)

Consolidated statement of financial position (cont'd.)

Investment in joint ventures decreased from \$14.65 million to \$14.01 million mainly due to the share of loss of \$0.49 million (mainly attributed by OHGSG, OLSSB and TPHFT) and share of loss in foreign currency translation reserve of \$0.37 million (mainly attributed by TPHFT), partially offset by additional investment in joint ventures of \$0.22 million during the financial period.

Investment in associates increased from \$8.79 million to \$10.21 million due to the share of profit attributed from TYKC of \$1.19 million and additional investment in associates (rights issue in Educ8) of \$0.65 million (refer to Note 8 in Section F for further details), partially offset by the share of loss attributed from Educ8 of \$0.14 million and share of loss in foreign currency translation reserve of \$0.28 million (mainly attributed by TYKC) during the financial period.

Investment securities increased from \$3.47 million to \$3.92 million due to the financial assets at fair value through other comprehensive income increased from \$3.31 million to \$3.76 million as a result of higher market price of quoted equity investment.

Trade receivables under non-current assets of \$0.44 million as at 30 June 2022 relate to the provision of credit facilities by PCSB, with a maturity in August 2023.

Trade receivables under current assets of \$7.79 million as at 30 June 2022 relate to the provision of credit facilities by PCSB, with a maturity in October 2022.

Decrease in other receivables, deposits and prepaid operating expenses from \$0.11 million to \$0.09 million was mainly due to lower VAT receivables for Monteco as a result of lesser maintenance expenses incurred and paid in 1H2022 compared to 1H2021.

Increase in other payables and accruals from \$0.48 million to \$0.63 million was due to timing of payments made during the financial period.

Loans and borrowings decreased from \$2.94 million to \$2.52 million due to principal repayment made towards the revolving credit and lease liabilities during the financial period.

Deficit in fair value and other reserves decreased from \$3.56 million to \$3.11 million due to fair value gain on quoted equity investment of \$0.45 million as a result of increase in market price of the quoted equity investment.

The Group was in a net current assets position of \$6.76 million as at 30 June 2022, compared to \$8.37 million as at 31 December 2021. The decrease was mainly due to additional investment in associates of \$0.65 million, additional investment in joint ventures of \$0.22 million and decrease in loans and borrowings of \$0.42 million.

F. Other information required by Appendix 7C of the Catalist Rules (cont'd.)

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

Six-month period ended 30 June 2022 ("1H2022") vs six-month period ended 30 June 2021 ("1H2021") (cont'd.)

Consolidated statement of financial position (cont'd.)

The Directors are of the view that the Group will have continued access to the revolving credit facility made available to the Group. Mr LKO has committed to the Group not to withdraw his personal guarantee to the Group's current revolving credit facility so as to enable the Group to have continuous access to the revolving credit facility. Further to that, the Directors are of the view that the Group will be able to secure additional borrowings if necessary by securing its long-term assets which are currently unencumbered.

The Directors confirm that the Group is able to meet its short-term debt obligations as and when they fall due for the reasons set out above.

Consolidated statement of cash flows

Decrease in cash and cash equivalents was attributed largely to the cash used in investing and financing activities during the financial period.

Net cash flows used in operating activities of \$0.13 million as at 30 June 2022 mainly relate to the Group's administrative expenses and project related expenses in connection with the development of the Ormond Hotel in Dublin.

Net cash flows used in investing activities of \$0.95 million as at 30 June 2022 mainly relate to the investment in associates attributable to the subscription of rights issue in Educ8 of \$0.65 million and investment in joint ventures attributable to the unitholders' advances (proportionate to the percentage of units held by the respective unitholders) to TPHFT of \$0.22 million during the financial period.

Net cash flows used in financing activities of \$0.43 million as at 30 June 2022 mainly relate to the repayment of bank borrowings.

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

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

F. Other information required by Appendix 7C of the Catalist Rules (cont'd.)

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

Despite a general improvement in travel demand, management is of the view that the Group's sole operational hospitality asset at KLIA 2 will continue to underperform until capacity and flight volumes recover to pre-Covid levels. Whilst the Group's other investments in precision engineering has performed robustly and education starting to see good improvements, management remains cautious in light of the uncertain prevailing economic sentiment and significant cost escalation.

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

None. No dividend has been declared or recommended during the current financial period reported on as the Group intends to conserve cash for future investments and capital working requirements.

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

5c. Date Payable

Not applicable.

5d. Books Closure Date

Not applicable.

6. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for the interested person transactions.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H under Rule 720(1))

The Company has received undertaking from all its directors and executive officers (in the format set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

F. Other information required by Appendix 7C of the Catalist Rules (cont'd.)

8. Disclosure of acquisition and realisation of shares pursuant to Catalist Rule 706A

(a) Strike-off of a subsidiary

The Company had struck off the following dormant and wholly-owned subsidiary during the financial period:

S/N	Name of Subsidiary	Date of Announcement
1	Plato-Straits Heritage Properties Sdn Bhd	25 May 2022

(b) Subscription of Rights Issue

The Company's wholly-owned subsidiaries, Asian Strategic Investment Group Limited ("ASIG") and PCSB had on 27 May 2022 subscribed (the "Subscription") to the following rights shares ("Rights Shares") allocated proportionately by Educ8, pursuant to the non-renounceable rights issue undertaken by Educ8 ("Rights Issue").

Subscribers	Allocated Rights Shares
ASIG	1,856,800 ordinary shares of RM1.00 each
PCSB	216,240 ordinary shares of RM 1.00 each
Total Subscription	2,073,040 ordinary shares of RM 1.00 each

The total cash consideration for the Subscription was RM2,073,040 (approximately SGD648,447⁽¹⁾). Pursuant to the Subscription, ASIG's shareholdings in Educ8 increased from 23.21% to 27.26% whilst PCSB's shareholdings in Educ8 increased from 2.70% to 3.17%. As a result, the Group's total effective shareholdings in Educ8 increased from 25.91% to 30.43%.

As at 30 June 2022, the Group's share of Educ8's net tangible assets is SGD3,056,723.

⁽¹⁾ based on an exchange rate of RM1.00: SGD0.3128 ("Exchange Rate").

F. Other information required by Appendix 7C of the Catalist Rules (cont'd.)

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Kian Onn
Director

Navinderjeet Singh A/L Naranjan Singh
Director

Singapore
12 August 2022

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange"), and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Jennifer Tan, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and gilliangoh@ppcf.com.sg.