

Company Registration No. 199907443M

Plato Capital Limited and its Subsidiaries

Condensed Interim Financial Statements
For the six months and full year ended 31 December 2021

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

	Note	Group					
		6 months ended			12 months ended		
		31 December			31 December		
		2021	2020	Change	2021	2020	Change
\$'000	\$'000	%	\$'000	\$'000	%		
Revenue	4	532	569	(6.5)	1,064	1,168	(8.9)
Other (expenses)/income	4	(12)	515	NM	806	521	54.7
		520	1,084	(52.0)	1,870	1,689	10.7
Other items of income/(expenses)							
Purchase of software and services		(112)	(147)	(23.8)	(216)	(287)	(24.7)
Employee benefits expenses		(457)	(503)	(9.1)	(914)	(909)	0.6
Depreciation of property, plant and equipment		(3)	(3)	-	(3)	(6)	(50.0)
Amortisation of right-of-use assets		(24)	(50)	(52.0)	(49)	(50)	(2.0)
Foreign exchange gain/(loss), net		671	283	NM	19	(533)	NM
Loss on struck-off/liquidation of a subsidiary		(141)	(258)	(45.3)	(141)	(258)	(45.3)
Other operating expenses		(302)	(471)	(35.9)	(660)	(1,092)	(39.6)
Finance costs		(83)	(309)	(73.1)	(349)	(628)	(44.4)
Share of loss of joint ventures		(257)	(208)	23.6	(1,054)	(1,010)	4.4
Share of profit of associates		172	1,226	(86.0)	1,135	1,622	(30.0)
(Loss)/profit before taxation	6	(16)	644	NM	(362)	(1,462)	(75.2)
Tax (expense)/credit	7	(3)	67	NM	(3)	67	NM
(Loss)/profit for the period, net of tax		(19)	711	NM	(365)	(1,395)	(73.8)
Other comprehensive income/(loss):							
<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		65	749	(91.3)	(447)	733	NM
Share of foreign currency translation reserve of associates		(621)	(985)	(37.0)	(633)	(592)	6.9
Reclassification to profit or loss for struck-off/liquidation of a subsidiary		141	258	(45.3)	141	258	(45.3)
Foreign currency translation		(1,131)	91	NM	(485)	1,282	NM
<u>Items that will not be classified to profit or loss in subsequent periods (net of tax)</u>							
Fair value (loss)/gain on quoted equity investment at fair value through other comprehensive income		(365)	409	NM	(983)	(743)	32.3
Total other comprehensive (loss)/income for the period		(1,911)	522	NM	(2,407)	938	NM
Total comprehensive (loss)/income for the period		(1,930)	1,233	NM	(2,772)	(457)	NM

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

	Group						
	6 months ended			12 months ended			
	31 December			31 December			
	2021	2020	Change	2021	2020	Change	
Note	\$'000	\$'000	%	\$'000	\$'000	%	
Loss/(profit) attributable to:							
- Owners of the Company	(413)	153	NM	(1,456)	(1,789)	(18.6)	
- Non-controlling interests	394	558	(29.4)	1,091	394	NM	
	(19)	711	NM	(365)	(1,395)	(73.8)	
Total comprehensive (loss)/income attributable to:							
- Owners of the Company	(1,597)	818	NM	(3,386)	(1,013)	NM	
- Non-controlling interests	(333)	415	NM	614	556	10.4	
	(1,930)	1,233	NM	(2,772)	(457)	NM	
<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)	8	(3.39)	1.57	NM	(11.96)	(18.39)	(35.0)
Diluted (Singapore cents)	8	(3.39)	1.57	NM	(11.96)	(18.39)	(35.0)

NM = Not Meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		31 December		31 December	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Assets					
Non-current assets					
Property, plant and equipment	10	12,967	13,313	-	-
Right-of-use assets	11	25	75	-	-
Intangible assets	12	316	309	-	-
Investment in subsidiaries		-	-	33,474	33,651
Investment in joint ventures		14,650	16,894	-	-
Investment in associates		8,792	14,415	-	-
Investment securities	13	3,474	4,457	-	-
Trade receivables		425	8,542	-	-
Total non-current assets		40,649	58,005	33,474	33,651
Current assets					
Trade receivables		8,054	231	-	-
Other receivables and deposits		52	61	-	-
Prepaid operating expenses		55	77	15	13
Capitalised contract costs - deferred maintenance costs		-	140	-	-
Tax recoverable		13	18	-	-
Amounts due from subsidiaries		-	-	3,770	3,522
Amount due from a joint venture		95	94	-	-
Cash and cash equivalents		3,532	2,065	494	275
Total current assets		11,801	2,686	4,279	3,810
Total assets		52,450	60,691	37,753	37,461
Current liabilities					
Trade payables		-	96	-	-
Other payables and accruals		483	1,441	203	190
Contract liabilities - deferred revenue		-	278	-	-
Amounts due to subsidiaries		-	-	5,450	3,999
Amounts due to joint ventures		-	976	-	-
Loans and borrowings	14	2,944	4,000	-	-
RCULS - liability component	14	-	6,184	-	6,184
Total current liabilities		3,427	12,975	5,653	10,373
Net current assets/(liabilities)		8,374	(10,289)	(1,374)	(6,563)
Non-current liabilities					
Deferred tax liabilities		-	3	-	3
Loans and borrowings	14	-	27	-	-
Amount due to a related party		-	2,369	-	-
Total non-current liabilities		-	2,399	-	3
Total liabilities		3,427	15,374	5,653	10,376
Net assets		49,023	45,317	32,100	27,085

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

	Note	Group		Company	
		31 December		31 December	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Equity					
Share capital	15	48,392	40,875	48,392	40,875
Fair value and other reserves		(3,558)	(315)	-	2,260
Foreign currency translation reserve		(7,598)	(6,651)	-	-
Retained earnings/ (accumulated losses)		4,628	4,988	(16,292)	(16,050)
Equity attributable to owners of the Company		41,864	38,897	32,100	27,085
Non-controlling interests		7,159	6,420	-	-
Total equity		49,023	45,317	32,100	27,085
Total equity and liabilities		52,450	60,691	37,753	37,461

C. Condensed interim statements of changes in equity

Group	Note	<----- 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)	(6,651)	4,988	38,897	6,420	45,317
(Loss)/profit for the period		-	-	-	(1,456)	(1,456)	1,091	(365)
Other comprehensive (loss)/income:								
Fair value loss on quoted equity investment at fair value through other comprehensive income ("FVOCI")		-	(983)	-	-	(983)	-	(983)
Share of foreign currency translation reserve of joint ventures		-	-	(447)	-	(447)	-	(447)
Share of foreign currency translation reserve of associates		-	-	(455)	-	(455)	(178)	(633)
Foreign currency translation loss		-	-	(186)	-	(186)	(299)	(485)
Reclassification to profit or loss upon struck-off of a subsidiary		-	-	141	-	141	-	141
Other comprehensive loss for the period, net of tax		-	(983)	(947)	-	(1,930)	(477)	(2,407)
Total comprehensive (loss)/income for the period		-	(983)	(947)	(1,456)	(3,386)	614	(2,772)
Others								
Conversion of RCULS	15	7,517	(1,164)	-	-	6,353	-	6,353
Reclassification of share options and share awards upon expiry	15	-	(1,096)	-	1,096	-	-	-
Capitalisation of advances from non-controlling interest		-	-	-	-	-	125	125
Total transactions with owners		7,517	(2,260)	-	1,096	6,353	125	6,478
Balance at 31 December 2021		48,392	(3,558)	(7,598)	4,628	41,864	7,159	49,023

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
2020							
Balance at 1 January 2020	40,875	428	(8,170)	6,777	39,910	5,337	45,247
(Loss)/profit for the period	-	-	-	(1,789)	(1,789)	394	(1,395)
Other comprehensive (loss)/income:							
Fair value loss on quoted equity investment at fair value through other comprehensive income ("FVOCI")	-	(743)	-	-	(743)	-	(743)
Share of foreign currency translation reserve of joint ventures	-	-	733	-	733	-	733
Share of foreign currency translation reserve of associates	-	-	(414)	-	(414)	(178)	(592)
Foreign currency translation gain	-	-	942	-	942	340	1,282
Reclassification to profit or loss upon liquidation of a subsidiary	-	-	258	-	258	-	258
Other comprehensive (loss)/income for the period, net of tax	-	(743)	1,519	-	776	162	938
Total comprehensive (loss)/income for the period	-	(743)	1,519	(1,789)	(1,013)	556	(457)
Others							
Capitalisation of advances from non-controlling interest	-	-	-	-	-	527	527
Balance at 31 December 2020	40,875	(315)	(6,651)	4,988	38,897	6,420	45,317

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

Company		Share capital	Other reserves	Accumulated losses	Total equity
	Note	\$'000	\$'000	\$'000	\$'000
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		-	-	(1,338)	(1,338)
Transactions with owners:					
Conversion of RCULS	15	7,517	(1,164)	-	6,353
Reclassification of share options and share awards upon expiry	15	-	(1,096)	1,096	-
Total transactions with owners		7,517	(2,260)	1,096	6,353
Balance at 31 December 2021		48,392	-	(16,292)	32,100
2020					
Balance at 1 January 2020		40,875	2,260	(14,158)	28,977
Loss for the period, representing total comprehensive loss for the period		-	-	(1,892)	(1,892)
Balance at 31 December 2020		40,875	2,260	(16,050)	27,085

D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended 31 December	
	2021	2020
	\$'000	\$'000
Cash flows from operating activities		
Loss before tax	(362)	(1,462)
Adjustments for:		
Interest income from bank deposits	(9)	(11)
Interest income from provision of credit facilities	(502)	(510)
Interest expenses	349	627
Depreciation of property, plant and equipment	3	6
Amortisation of right-of-use assets	49	50
Loss on struck-off/liquidation of a subsidiary	141	258
Share of loss of joint ventures	1,054	1,010
Share of profit of associates	(1,135)	(1,621)
Unrealised foreign exchange (gain)/loss, net	(20)	419
Gain on disposal of property, plant and equipment	1	-
Operating loss before working capital changes	(431)	(1,234)
Decrease/(increase) in receivables	464	(521)
(Decrease)/increase in payables	(1,331)	607
Cash flows used in operations	(1,298)	(1,148)
Interest received from provision of credit facilities	480	510
Income tax paid	(6)	(22)
Net cash flows used in operating activities	(824)	(660)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(459)	(425)
Proceeds from disposal of investment securities	-	(167)
Investment in joint ventures	(16)	-
Investment in associates	-	(386)
Dividend received from an associate	6,125	354
Dividend received from a joint venture	759	-
Net cash flows generated from/(used in) investing activities	6,409	(624)
Cash flows from financing activities		
Interest paid	(187)	(230)
Interest received from bank deposits	9	11
Advances from non-controlling interest of a subsidiary controlled by a substantial shareholder	125	332
Repayment of bank borrowings	(973)	(329)
Repayment of principal portion of lease liabilities	(54)	(55)
Repayment of amounts due to joint ventures	(828)	(28)
Repayment of amount due to a related party	(2,332)	-
Net cash flows used in financing activities	(4,240)	(299)
Net increase/(decrease) in cash and cash equivalents	1,345	(1,583)
Effect of currency translation on cash and cash equivalents	122	(110)
Cash and cash equivalents at beginning of the financial period	2,065	3,758
Cash and cash equivalents at end of the financial period	3,532	2,065

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 and twelve months ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Group are:

- (a) provision of systems integration related activities and eCommerce systems and services;
- (b) provision of credit facilities; and
- (c) 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 and twelve months ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 June 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 recorded a loss after tax of \$0.37 million for the financial year ended 31 December 2021 (31 December 2020: \$1.40 million) and generated negative operating cash flows of \$0.82 million (31 December 2020: \$0.66 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"), who is the Chairman/Non-Independent/Non-Executive Director and controlling shareholder of the Company, 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 2021. The adoption of these standards did not result in material changes to the Group's accounting policies and has no material effect on the financial result reported for the current and prior reporting periods.

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) 1-16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022

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.)

Description	Effective for annual periods beginning on or after
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8: Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28 Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Date 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

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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 consolidated 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 (cont'd.)

The Group is organised into the following main business segments:

- IT operations;
- Investment activities; and
- Corporate and others.

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.

4.1 Reportable segments (cont'd)

	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Elimination \$'000	Consolidated \$'000
1 July 2021 to 31 December 2021					
Sales to external customers	280	252	-	-	532
Revenue from external parties	280	252	-	-	532
Interest income from bank deposits	2	1	-	-	3
Miscellaneous expenses	-	-	-	(15)	(15)
Total other income/(expenses)	2	1	-	(15)	(12)
Total revenue and other income/(expenses)	282	253	-	(15)	520
Finance costs	-	(83)	-	-	(83)
Depreciation of property, plant and equipment	-	(3)	-	-	(3)
Amortisation of right-of-use assets	-	(24)	-	-	(24)
Share of loss of joint ventures	-	(257)	-	-	(257)
Share of profit of associates	-	172	-	-	172
Segment profit/(loss) before tax	14	9,658	1,006	(10,694)	(16)
Tax expense					(3)
Loss for the interim period					(19)

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

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

4.1 Reportable segments (cont'd.)

	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Elimination \$'000	Consolidated \$'000
1 July 2021 to 31 December 2021					
Segment assets	71	48,686	3,680	-	52,437
Tax recoverable					13
Total assets per statement of financial position					<u>52,450</u>
Expenditures for segment non-current assets					
- Additions to property, plant and equipment	-	148	-	-	148
- Investment in associates and joint ventures	-	(7,229)	-	-	(7,229)
	-	(7,081)	-	-	<u>(7,081)</u>
Segment liabilities	2,995	392	40	-	3,427
Deferred tax liabilities					-
Total liabilities per statement of financial position					<u>3,427</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.)

	IT operations	Investment activities	Corporate and others	Elimination	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000
1 July 2020 to 31 December 2020					
Sales to external customers	310	259	-	-	569
Revenue from external parties	310	259	-	-	569
Interest income from bank deposits	-	4	1	-	5
Miscellaneous income	-	510	-	-	510
Total other income	-	514	1	-	515
Total revenue and other income	310	773	1	-	1,084
Finance costs	-	(309)	-	-	(309)
Depreciation of property, plant and equipment	(3)	-	-	-	(3)
Amortisation of right-of-use assets	-	(50)	-	-	(50)
Share of loss of joint ventures	-	(208)	-	-	(208)
Share of profit of associates	-	1,226	-	-	1,226
Segment (loss)/profit before tax	(140)	904	(629)	509	644
Tax credit					67
Profit for the interim period					<u>711</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.)

	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Elimination \$'000	Consolidated \$'000
1 July 2020 to 31 December 2020					
Segment assets	400	52,141	8,132	-	60,673
Tax recoverable					18
Total assets per statement of financial position					<u>60,691</u>
Expenditures for segment non-current assets					
- Additions to property, plant and equipment	-	51	-	-	51
- Investment in associates and joint ventures	-	414	-	-	414
	-	465	-	-	<u>465</u>
Segment liabilities	3,819	11,340	212	-	15,371
Deferred tax liabilities					3
Total liabilities per statement of financial position					<u>15,374</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)

	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Elimination \$'000	Consolidated \$'000
1 January 2021 to 31 December 2021					
Sales to external customers	562	502	-	-	1,064
Revenue from external parties	562	502	-	-	1,064
Interest income from bank deposits	2	7	-	-	9
Miscellaneous income	-	797	-	-	797
Total other income	2	804	-	-	806
Total revenue and other income	564	1,306	-	-	1,870
Finance costs	-	(349)	-	-	(349)
Depreciation of property, plant and equipment	-	(3)	-	-	(3)
Amortisation of right-of-use assets	-	(49)	-	-	(49)
Share of loss of joint ventures	-	(1,054)	-	-	(1,054)
Share of profit of associates	-	1,135	-	-	1,135
Segment profit/(loss) before tax	139	9,415	778	(10,694)	(362)
Tax expense					(3)
Loss for the interim period					(365)
Segment assets	71	48,686	3,680	-	52,437
Tax recoverable					13
Total assets per statement of financial position					52,450
Expenditures for segment non-current assets					
- Additions to property, plant and equipment	-	459	-	-	459
- Investment in associates and joint ventures	-	23,442	-	-	23,442
	-	23,901	-	-	23,901
Segment liabilities	2,995	392	40	-	3,427
Deferred tax liabilities					-
Total liabilities per statement of financial position					3,427

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

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

4.1 Reportable segments (cont'd.)

	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Elimination \$'000	Consolidated \$'000
1 January 2020 to 31 December 2020					
Sales to external customers	658	510	-	-	1,168
Revenue from external parties	658	510	-	-	1,168
Interest income from bank deposits	1	7	3	-	11
Miscellaneous income	-	510	-	-	510
Total other income	1	517	3	-	521
Total revenue and other income	659	1,027	3	-	1,689
Finance costs	-	(628)	-	-	(628)
Depreciation of property, plant and equipment	(5)	(1)	-	-	(6)
Amortisation of right-of-use assets	-	(50)	-	-	(50)
Share of loss of joint ventures	-	(1,010)	-	-	(1,010)
Share of profit of associates	-	1,622	-	-	1,622
Segment loss before tax	(147)	(524)	(1,300)	509	(1,462)
Tax credit					67
Loss for the interim period					(1,395)
Segment assets	400	52,141	8,132	-	60,673
Tax recoverable					18
Total assets per statement of financial position					60,691
Expenditures for segment non-current assets					
- Additions to property, plant and equipment	2	423	-	-	425
- Investment in associates and joint ventures	-	31,309	-	-	31,309
	2	31,732	-	-	31,734
Segment liabilities	3,819	11,340	212	-	15,371
Deferred tax liabilities					3
Total liabilities per statement of financial position					15,374

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

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

4.2 Disaggregation of revenue

	Group			
	6 months ended 31 December 2021			
	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Total \$'000
Types of goods or services:				
Service maintenance	280	-	-	280
Interest income from provision of credit facilities	-	252	-	252
Total revenue	280	252	-	532
Timing of revenue recognition:				
Over time	280	252	-	532
Total revenue	280	252	-	532
Geographical information:				
Malaysia	280	252	-	532
Total revenue	280	252	-	532

	Group			
	6 months ended 31 December 2020			
	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Total \$'000
Types of goods or services:				
Hardware revenue	18	-	-	18
License fees and services	48	-	-	48
Service maintenance	244	-	-	244
Interest income from provision of credit facilities	-	259	-	259
Total revenue	310	259	-	569
Timing of revenue recognition:				
At a point in time	66	-	-	66
Over time	244	259	-	503
Total revenue	310	259	-	569
Geographical information:				
Malaysia	310	259	-	569
Total revenue	310	259	-	569

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

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

4.2 Disaggregation of revenue

	Group			
	12 months ended 31 December 2021			
	IT operations	Investment activities	Corporate and others	Total
	\$'000	\$'000	\$'000	\$'000
Types of goods or services:				
License fees and services	4	-	-	4
Service maintenance	558	-	-	558
Interest income from provision of credit facilities	-	502	-	502
Total revenue	562	502	-	1,064
Timing of revenue recognition:				
At a point in time	4	-	-	4
Over time	558	502	-	1,060
Total revenue	562	502	-	1,064
Geographical information:				
Malaysia	562	502	-	1,064
Total revenue	562	502	-	1,064

	Group			
	12 months ended 31 December 2020			
	IT operations	Investment activities	Corporate and others	Total
	\$'000	\$'000	\$'000	\$'000
Types of goods or services:				
Hardware revenue	18	-	-	18
License fees and services	48	-	-	48
Service maintenance	592	-	-	592
Interest income from provision of credit facilities	-	510	-	510
Total revenue	658	510	-	1,168
Timing of revenue recognition:				
At a point in time	66	-	-	66
Over time	592	510	-	1,102
Total revenue	658	510	-	1,168
Geographical information:				
Singapore	22	-	-	22
Malaysia	636	510	-	1,146
Total revenue	658	510	-	1,168

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

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

4.2 Disaggregation of revenue

A breakdown of sales:

	Group		
	Financial	Financial	
	year ending	year ending	Change
	31 December	31 December	
	2021	2020	
	\$'000	\$'000	%
Sales reported for the first half year	532	599	(11.2)
Operating loss after tax before deducting non-controlling interests reported for first half year	(346)	(2,106)	(83.6)
Sales reported for the second half year	532	569	(6.5)
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(19)	711	(102.7)

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 31 December 2021 and 31 December 2020:

	Group		Company	
	31 December 2021 \$'000	31 December 2020 \$'000	31 December 2021 \$'000	31 December 2020 \$'000
Financial Assets				
Financial assets at fair value through other comprehensive income	3,307	4,290	-	-
Financial assets at fair value through profit or loss	167	167	-	-
Total financial assets measured at fair value	3,474	4,457	-	-
Trade receivables	8,479	8,773	-	-
Other receivables and deposits	52	61	-	-
Amounts due from subsidiaries	-	-	3,770	3,522
Amount due from a joint venture	95	94	-	-
Cash and cash equivalents	3,532	2,065	494	275
Total financial assets measured at amortised cost	12,158	10,993	4,264	3,797
Financial Liabilities				
Trade payables	-	96	-	-
Other payables and accruals	483	1,441	203	190
Amounts due to subsidiaries	-	-	5,450	3,999
Amounts due to joint ventures	-	976	-	-
Amount due to a related party	-	2,369	-	-
Loans and borrowings	2,944	10,211	-	6,184
Total financial liabilities measured at amortised cost	3,427	15,093	5,653	10,373

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

6. Profit before taxation

6.1 Significant items

	Group			
	6 months ended 31		12 months ended 31	
	December		December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Income				
Interest income	3	5	9	11
Reversal of provision for legal fees	(33)	-	777	-
Expenses				
Finance costs	(83)	(309)	(349)	(628)
Depreciation of property, plant and equipment	(3)	(3)	(3)	(6)
Amortisation of right-of-use assets	(24)	(50)	(49)	(50)
Foreign exchange gain/(loss), net	671	283	19	(533)

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 31		12 months ended 31	
	December		December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Lease payments to Nobleman Holdings Sdn Bhd, a company in which a substantial shareholder has interest	29	55	54	55
RCULS interest payable to Mr LKO	-	16	10	31

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

6.2 Related party transactions (cont'd.)

(b) Compensation of key management personnel

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Directors' fees	79	87	138	166
Short-term employee benefits	245	185	446	335
Defined contribution plans	30	13	48	22
Total compensation paid to key management personnel	354	285	632	523
Comprise amounts paid to:				
- Directors of the Company	258	164	397	319
- Other key management personnel	96	121	235	204
	354	285	632	523

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

7. Tax (expense)/credit

The Group calculates the period income tax (expense)/credit using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax (expense)/credit in the condensed interim consolidated statement of profit or loss are:

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current income tax expense	(6)	-	(6)	-
Deferred income tax expense relating to origination and reversal of temporary differences	3	67	3	67
	(3)	67	(3)	67

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

8. Loss per share

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

Diluted loss per share is calculated by dividing loss net of tax, attributable to owners of the Company (after adjusting for interest expense on RCULS, net of tax) by the weighted average number of ordinary shares outstanding during the financial period and 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 losses and share data used in the computation of basic and diluted loss per share for the financial period:

	Group			
	6 months ended 31 December 2021		12 months ended 31 December 2021	
		2020		2020
Loss/(profit) attributable to owners of the Company (\$'000)	(413)	153	(1,456)	(1,789)
Weighted average number of shares for basic and diluted loss per share computation	12,178,185	9,735,025*	12,178,185	9,735,025*
Basic (loss)/earnings per share (Singapore cents)	(3.39)	1.57	(11.96)	(18.39)
Diluted (loss)/earnings per share (Singapore cents)	(3.39)	1.57	(11.96)	(18.39)

* The weighted average number of Shares for 2020 has been retrospectively adjusted to reflect the Share Consolidation Exercise as disclosed in Note 15.

RCULS, share options granted pursuant to Plato ESOS 2016 and share awards granted pursuant to Plato PSP 2016 have not been included in the calculation of the diluted loss 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	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Net asset value per ordinary share (Singapore cents)	343.76	399.56	263.59	278.22
Number of ordinary shares in issue (excluding treasury shares)	12,178,185	9,735,025	12,178,185	9,735,025

The Group's and the Company's net asset value per ordinary share as at 31 December 2021 and 31 December 2020 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 twelve months ended 31 December 2021, the Group acquired assets amounting to \$0.46 million (31 December 2020: \$0.43 million) and disposed of assets amounting to \$0.01 million (31 December 2020: \$Nil).

11. Right-of-use assets

	Group	
	31 December 2021 \$'000	31 December 2020 \$'000
At beginning of the financial period	75	108
Addition	-	17
Amortisation	(49)	(50)
Exchange differences	(1)	-
At end of the financial period	25	75

Right-of-use assets relate to the Group's lease contracts of its office premise and storage space that are used for its operations.

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

12. Intangible assets

	Group	
	31 December 2021 \$'000	31 December 2020 \$'000
Trademarks		
At beginning of the financial period	309	314
Exchange differences	7	(5)
At end of the financial period	<u>316</u>	<u>309</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 until 27 June 2024 for the purpose of developing, operating and/or managing hotels. These rights can be renewed for a further period on terms to be mutually agreed between the Licensors and Ormond Group Pte Ltd.

13. Investment securities

	Group	
	31 December 2021 \$'000	31 December 2020 \$'000
At fair value through other comprehensive income		
- Quoted securities in Malaysia	3,307	4,290
At fair value through profit or loss		
- Unquoted preference shares	167	167
	<u>3,474</u>	<u>4,457</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 company, 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 (cont'd.)

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 (i.e. as prices) or indirectly (i.e. derived from prices) **(Level 2)**; and
- (c) Inputs for the asset or liability which are not based on observable market data (unobservable inputs) **(Level 3)**.

The following table presented the assets measured at fair value:

Group	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
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>
31 December 2020				
Financial assets				
Financial assets at fair value through other comprehensive income				
- Quoted securities	4,290	-	-	4,290
Financial assets at fair value through profit or loss				
- Unquoted preference shares	-	-	167	167
	<u>4,290</u>	<u>-</u>	<u>167</u>	<u>4,457</u>

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

14. Loans and borrowings

	<u>Group</u>		<u>Company</u>	
	<u>31 December</u> <u>2021</u> <u>\$'000</u>	<u>31 December</u> <u>2020</u> <u>\$'000</u>	<u>31 December</u> <u>2021</u> <u>\$'000</u>	<u>31 December</u> <u>2020</u> <u>\$'000</u>
Amount repayable within one year or on demand				
Unsecured				
- Revolving credits	2,917	3,948	-	-
- Lease liabilities	27	52	-	-
- RCULS	-	6,184	-	6,184
	<u>2,944</u>	<u>10,184</u>	<u>-</u>	<u>6,184</u>
Amount repayable after one year				
Unsecured				
- Lease liabilities	-	27	-	-
Total loans and borrowings	<u>2,944</u>	<u>10,211</u>	<u>-</u>	<u>6,184</u>

14.1 Details of any collateral

The revolving credit facility obtained by a subsidiary is guaranteed by the Company and by personal guarantee of Mr LKO.

The revolving credit facility is denominated in Malaysia Ringgit.

14.2 Contingent liabilities

The Company has provided proportionate corporate guarantee of 28.74% of the outstanding amount under a term loan facility of RM100 million granted by a licensed bank to Epsom College Malaysia Sdn Bhd, a subsidiary of Educ8.

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

15. Share Capital

	Group and Company			
	31 December 2021		31 December 2020	
	Number of shares	Amount \$	Number of shares	Amount \$
Issued and fully paid ordinary shares				
At beginning of the financial period	9,735,025	40,875,023	194,701,333	40,875,023
Share consolidation on 22 July 2020	-	-	(184,966,308)	-
Conversion of RCULS	2,443,160	7,516,535	-	-
At end of the financial period	12,178,185	48,391,558	9,735,025	40,875,023

Share Capital

On 22 July 2020, the Company announced that it has completed a share consolidation of every twenty (20) then existing ordinary shares into one (1) ordinary share ("Consolidated Shares") ("Share Consolidation Exercise"). Accordingly, the number of ordinary shares of the Company had been adjusted from 194,701,333 ordinary shares ("Existing Issued Share Capital") to 9,735,025 Consolidated Shares as of 22 July 2020. The share capital remains unchanged at \$40,875,023.

Following the conversion of remaining 62 RCULS into 2,443,160 new ordinary shares of the Company by Mr LKO, the number of issued and paid-up shares in the capital of the Company increased from 9,735,025 to 12,178,185 on 26 April 2021. The share capital also increased from \$40,875,023 to \$48,391,558 as of 26 April 2021.

There was no change in the Company's share capital since 30 June 2021 up to 31 December 2021.

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

15. Share Capital (cont'd.)

Convertibles

Redeemable Convertible Unsecured Loan Stocks ("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 then existing ordinary shares of the Company based on conversion price of \$0.13 each.

As at 31 December 2020, the aggregate number of Shares that may be issued on conversion of the RCULS and accrued interest was 48,670,145 then existing ordinary shares of the Company, representing approximately 25.0% of the issued share capital as at 31 December 2020.

Pursuant to the Share Consolidation Exercise on 22 July 2020, the conversion price had been revised from \$0.13 to \$2.60, hence the 62 RCULS outstanding were convertible into 2,384,615 Consolidated Shares and accrued interest of \$152,216 were convertible into 58,545 Consolidated Shares.

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.

Employee Share Option Scheme ("Plato ESOS 2016")

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

Pursuant to the Share Consolidation Exercise, the number of Share Options had been adjusted accordingly from 9,237,699 to 461,884 at a revised exercise price of \$2.00 per Consolidated 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 expired upon resignation on 31 December 2021. As such, the expired Share Options of \$730,355 were reclassified within equity, from fair value and other reserves to retained earnings.

As at 31 December 2021, the remaining balance of 206,814 Share Options is convertible into 206,814 (31 December 2020: 461,884) ordinary shares of the Company, representing 1.7% (31 December 2020: 4.7%) of the issued share capital as at 31 December 2021.

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

15. Share Capital (cont'd.)

Convertibles (cont'd.)

Performance Share Plan ("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 directors and employees of the Group. No Share Awards have been released and vested since its grant date as the pre-determined performance conditions were not met.

As at 31 December 2020, the Shares issuable under the Share Awards was 4,618,853 Shares, representing approximately 2.4% of the issued share capital as at 31 December 2020.

Pursuant to the Share Consolidation Exercise, the number of Share Awards had been adjusted from 4,618,853 to 230,942, which is convertible into 230,942 ordinary shares of the Company, representing 2.4% of the issued share capital as at 31 December 2020.

On 16 June 2021, upon expiry of Plato PSP 2016, all unvested Share Awards were reclassified within equity, from fair value and other reserves to retained earnings, amounting to \$365,178.

Save as disclosed, the Company did not have any other outstanding convertibles as at 31 December 2021 and 31 December 2020.

Treasury Shares and Subsidiary Holdings

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

The Group had on 3 December 2021 announced that its wholly-owned subsidiary, Plato Solutions Sdn Bhd ("PSSB") shall cease ("Cessation") its information technology systems integration and distribution of software business ("IT Operations") with effect from 1 January 2022.

Following the Cessation, the IT Operations segment in the Group's financial statements will be presented as "Discontinued Operations". The Cessation is not expected to have any material impact on the Group's net tangible assets ("NTA") per share and loss per share ("LPS") for the financial year ended 31 December 2021. The contribution and results of the IT Operations segment for the current financial year is disclosed in Note 4.

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

1. Review

The condensed consolidated statement of financial position of Plato Capital Limited and its subsidiaries as at 31 December 2021 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 and twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Six-month period ended 31 December 2021 ("2H2021") vs six-month period ended 31 December 2020 ("2H2020")

Consolidated statement of profit or loss and other comprehensive income

The Group recorded a net loss attributable to owners of the Company of \$0.41 million in 2H2021 compared to a net profit attributable to owners of the Company of \$0.15 million in 2H2020.

Revenue decreased by 6.5% in 2H2021 mainly due to lower demand from customers in the IT Operations segment, resulting in lower license fees.

The Group recorded other expenses of \$0.01 million in 2H2021 compared to other income of \$0.52 million in 2H2020. The other income in 2H2020 mainly related to insurance claim pay-out of \$0.49 million from an agreed reimbursement on the professional fees incurred from the development of Ormond Hotel in Dublin by a subsidiary company, Monteco Holdings Limited ("Monteco").

Decrease in purchase of software and services costs by 23.8% in 2H2021 was in line with the decrease in revenue from the IT Operations segment.

The Group recorded a higher net foreign exchange gain of \$0.67 million in 2H2021 compared to a net foreign exchange gain of \$0.28 million in 2H2020 mainly due to the weakening of Australian Dollar against the reporting currency of Singapore Dollar.

Loss on struck-off/liquidation of a subsidiary amounted to \$0.14 million in 2H2021 (2H2020: \$0.26 million) was wholly related to realisation of foreign exchange translation reserve to profit or loss.

Other operating expenses reduced by 35.9% in 2H2021 mainly due to lower legal and professional fees incurred by Monteco on the development of the Ormond Hotel in Dublin.

Finance costs decreased by 73.1% in 2H2021 mainly due to principal repayments made towards the bank borrowings and lower interest rates charged 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 31 December 2021 ("2H2021") vs six-month period ended 31 December 2020 ("2H2020") (cont'd.)

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

The Group continues to record a share of loss of joint ventures, amounting to \$0.26 million in 2H2021 mainly contributed by 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 was affected by the effect of Covid-19 pandemic where demands for travel and hotel stay were negatively impacted in light of the suspension of air services and the closure of national borders internationally, and the Government of Malaysia mandated restriction of movement during the financial period.

Share of profit from associates reduced by 86.0% to \$0.17 million in 2H2021 compared to \$1.23 million in 2H2020 mainly due to a higher share of loss from Educ8 of \$1.25 million, partially offset by share of profit from TYKC Capital Sdn Bhd ("TYKC") of \$1.42 million.

The financial performance of Educ8 was affected by the pandemic and government policies with regards to quarantine procedures and processing of new student visas in 2H2021 that led to a fall-off with regards to non-Malaysian student numbers, as well as the impairment of land and buildings of Educ8.

On other comprehensive income, the Group recorded a fair value loss on quoted equity investment of \$0.37 million in 2H2021 due to drop in market price of ECM Libra Group Berhad ("ECM") shares, compared to a fair value gain on quoted equity investment of \$0.41 million in 2H2020 in line with the increase in market price of ECM shares.

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

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

Twelve-month period ended 31 December 2021 ("FY2021") vs twelve-month period ended 31 December 2020 ("FY2020")

Consolidated statement of profit or loss and other comprehensive income

Overall the net loss attributable to owners of the Company in FY2021 decreased by 18.6% to \$1.46 million from a net loss of \$1.79 million in FY2020.

Revenue decreased by 8.9% in FY2021 mainly due to lower demand from customers in the IT Operations segment, resulting in lower license fees.

Other income increased by 54.7% in FY2021 mainly due to reversal of provision for legal and professional fees of \$0.78 million in relation to the development of Ormond Hotel in Dublin by Monteco. In 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). During the financial period, the Section 160 and nuisance claims had been settled and struck out by court, hence the legal and professional fees previously provisioned for has now been reversed and classified as other income.

Decrease in purchase of software and services costs by 24.7% in FY2021 was in line with the decrease in revenue from the IT Operations segment.

The Group recorded a net foreign exchange gain of \$0.02 million in FY2021 compared a net foreign exchange loss of \$0.53 million in FY2020 mainly due to the weakening of Euro and Australian Dollar against the reporting currency of Singapore Dollar.

Other operating expenses reduced by 39.6% in FY2021 mainly due to lower legal and professional fees incurred by Monteco on the development of the Ormond Hotel in Dublin.

Loss on struck-off/liquidation of a subsidiary amounted to \$0.14 million in FY2021 (FY2020: \$0.26 million) was wholly related to realisation of foreign exchange translation reserve to profit or loss.

Finance costs decreased by 44.4% in FY2021 mainly due to principal repayments made towards the bank borrowings and lower interest rates charged during the financial period.

The Group continues to record a share of loss of joint ventures, amounting to \$1.05 million in FY2021 mainly contributed by the share of loss in OHGSB, OLSSB and TPHFT. The financial performance of Tune Hotel KLIA 2 was affected by the effect of Covid-19 pandemic where demands for travel and hotel stay were negatively impacted in light of the suspension of air services and the closure of national borders internationally, and the Government of Malaysia mandated restriction of movement in FY2021.

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

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

Twelve-month period ended 31 December 2021 ("FY2021") vs twelve-month period ended 31 December 2020 ("FY2020") (cont'd.)

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

The Group recorded a slightly lower share of profit from associates of \$1.14 million in FY2021 compared to \$1.62 million in FY2020 mainly due to a higher share of profit from TYKC of \$2.73 million due to better financial performance in line with higher demand from customers for precision engineering components and assemblies, partially offset by the share of loss from Educ8 of \$1.59 million in FY2021.

The financial performance of Educ8 was affected by the pandemic and government policies with regards to quarantine procedures and processing of new student visas in FY2021 that led to a fall-off with regards to non-Malaysian student numbers, as well as the impairment of land and buildings of Educ8.

On other comprehensive income, the Group recorded a fair value loss on quoted equity investment of \$0.98 million in FY2021 due to lower market price of ECM shares.

Consolidated statement of financial position

Property, plant and equipment decreased from \$13.31 million to \$12.97 million mainly due to depreciation and write-off in FY2021.

Right-of-use assets decreased from \$0.08 million to \$0.03 million mainly due to amortisation during the financial period.

Investment in joint ventures decreased from \$16.89 million to \$14.65 million due to the share of loss of \$1.05 million (mainly attributed by OHGSB, OLSSB and TPHFT), share of loss in foreign currency translation reserve of \$0.45 million (mainly attributed by TPHFT) and dividend income received from OLSSB of \$0.76 million, partially offset by additional investment in joint ventures of \$0.02 million during the financial period.

Investment in associates decreased from \$14.42 million to \$8.79 million mainly due to the share of loss attributed by Educ8 of \$1.59 million, offset by the share of profit attributed from TYKC of \$2.73 million, dividend income received from TYKC of \$6.13 million and share of loss in foreign currency translation reserve of \$0.63 million (mainly attributed by TYKC).

Investment securities decreased from \$4.46 million to \$3.47 million due to the financial assets at fair value through other comprehensive income dropped from \$4.29 million to \$3.31 million as a result of lower market price of quoted equity investment.

Trade receivables under current assets mainly relates to the provision of credit facilities of \$8.00 million by Plato Capital Sdn Bhd, which was previously classified as non-current assets as at 31 December 2020, in view of the maturity in October 2022.

Decrease in capitalised contract costs - deferred maintenance costs from \$0.14 million to \$Nil as all supplier contracts ended on 31 December 2021 in line with the Cessation of IT Operations segment.

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

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

Twelve-month period ended 31 December 2021 ("FY2021") vs twelve-month period ended 31 December 2020 ("FY2020") (cont'd.)

Consolidated statement of financial position (cont'd.)

Decrease in trade payables from \$0.10 million to \$Nil and decrease in other payables and accruals from \$1.44 million to \$0.48 million were due to timing of payments made during the financial period.

Decrease in contract liabilities - deferred revenue from \$0.28 million to \$Nil was in line with the Cessation of IT Operations segment and all customer contracts ended on 31 December 2021.

Amounts due to joint ventures decreased from \$0.98 million to \$Nil and amount due to a related party decreased from \$2.37 million to \$Nil were due to repayments during the financial period.

Loans and borrowings decreased by \$7.27 million from \$10.21 million to \$2.94 million mainly due to:

- (i) the principal repayments made towards the bank borrowings of \$0.97 million during the financial period; and
- (ii) the liability component of RCULS of \$6.35 million was capitalised as share capital upon the conversion of RCULS by Mr LKO.

On 26 April 2021, share capital increased from \$40.88 million to \$48.39 million pursuant to the conversion by Mr LKO of the remaining 62 RCULS into 2,443,160 new ordinary shares of the Company amounting to \$7.51 million.

Deficit in fair value and other reserves increased from \$0.32 million to \$3.56 million due to:

- (i) the equity component of RCULS of \$1.16 million being reclassified from fair value and other reserves to share capital upon the conversion of RCULS by Mr LKO;
- (ii) the aggregate total of unexercised Share Options and Share Awards expired on 16 June 2021 of \$1.10 million was reclassified from fair value and other reserve to retained earnings; and
- (iii) a deficit of \$0.98 million resulting from lower market price of quoted equity investment.

The Group was in a net current assets position of \$8.37 million as at 31 December 2021 compared to a net current liabilities position of \$10.29 million as at 31 December 2020, mainly due to the decrease in loans and borrowings of \$7.27 million and reclassification of non-current trade receivables of \$8.00 million as current.

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

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

Twelve-month period ended 31 December 2021 ("FY2021") vs twelve-month period ended 31 December 2020 ("FY2020") (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

Increase in cash and cash equivalents was attributed largely to cash generated from investing activities during the financial period.

Net cash flows used in operating activities amounted to \$0.82 million were mainly due to loss incurred for the financial period and the Group's administrative expenses and project related expenses incurred in connection with the development of Ormond Hotel in Dublin.

Net cash flows generated from investing activities amounted to \$6.41 million were mainly related to the dividend received from an associate company, TYKC and a joint venture company, OLSSB, partially offset by capital expenditure incurred on the development of Ormond Hotel in Dublin.

Net cash flows used in financing activities amounted to \$4.24 million were mainly due to repayment of amount due to a related party of \$2.33 million, principal repayments made towards the bank borrowings of \$0.97 million and repayment of amounts due to joint ventures of \$0.83 million.

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

Management is cautiously optimistic that high vaccination rates alongside the relaxation of Covid-19 regulations and border re-openings by regional governments will present an opportunity for a recovery in financial and operating performance by the Group's hospitality and education assets. Management will continue to emphasise tight cost controls and focus on realising synergies across its portfolio in order to provide greater resilience in the face of global inflation concerns and an uneven recovery.

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 working capital 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 Interested Person Transactions.

There were no interested person transactions of \$100,000 or more entered into during FY2021.

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

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 Catalist Listing Manual of the SGX-ST.

8. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the financial period
Gareth Lim Tze Xiang	39	Son of Mr LKO	Position held: - Alternate Director to Mr LKO since 2009; and - Chief Executive Officer since 2010. Duties include: - overseeing the investments and development of the Group's businesses; and - provide insight and strategic direction to the Group's business entities.	No change in duties and position held during the financial period.
Lim Kian Fah	56	Sister of Mr LKO	Position held: - Director of Legal since 2017. Duties include: - overseeing all legal and regulatory compliance matters pertaining to the Group.	No change in duties and position held during the financial period.

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

9. Disclosure of acquisition (including incorporations) and sale of shares (including striking-off) under Catalist Rule 706A.

The Company had voluntarily dissolved the following dormant and indirect wholly-owned subsidiaries during FY2021:

S/N	Name of Subsidiary	Status	Date of Announcement
1	Plato Management Sdn Bhd	Fully dissolved	21 September 2021
2	TP Melbourne Pty Limited	Fully dissolved	23 December 2021
3	TP Services (Melbourne) Pty Limited	Fully dissolved	23 December 2021

Save as disclosed above, there were no incorporation of new entities, acquisitions and realisation of shares during FY2021.

BY ORDER OF THE BOARD OF DIRECTORS

Lim Kian Onn
Director

Navinderjeet Singh A/L Naranjan Singh
Director

Singapore
21 February 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.

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