



KINGSMEN CREATIVES LTD.
(Company Registration Number: 200210790Z)

Unaudited Condensed Interim Financial Statements
For the Six Months and Financial Year Ended 31 December 2021

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

		Group					
Note	6 Months Ended			Year Ended			
	31 Dec 21	31 Dec 20	Change	31 Dec 21	31 Dec 20	Change	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Revenue	156,091	163,969	-4.8%	273,177	286,958	-4.8%	
Cost of sales	<u>(120,598)</u>	<u>(121,413)</u>	-0.7%	<u>(214,283)</u>	<u>(220,987)</u>	-3.0%	
Gross profit	35,493	42,556	-16.6%	58,894	65,971	-10.7%	
Other items of income							
Interest income	151	191	-20.9%	268	398	-32.7%	
Other income	6	7,539	-51.2%	9,005	12,433	-27.6%	
Other items of expense							
Depreciation of property, plant and equipment	(1,407)	(1,723)	-18.3%	(2,960)	(3,306)	-10.5%	
Employee benefits expense	(25,822)	(28,685)	-10.0%	(48,254)	(52,263)	-7.7%	
Other expenses	(7,947)	(20,682)	-61.6%	(13,880)	(29,147)	-52.4%	
Interest expense	(375)	(542)	-30.8%	(892)	(1,172)	-23.9%	
Share of result of joint venture	-	(767)	n/m	-	(403)	n/m	
Share of results of associates	<u>(358)</u>	<u>(541)</u>	-33.8%	<u>(1,132)</u>	<u>(1,705)</u>	-33.6%	
Profit/(loss) before tax	7	3,412	(2,654)	n/m	1,049	(9,194)	n/m
Income tax expense	8	<u>(1,066)</u>	<u>(1,249)</u>	-14.7%	<u>(1,191)</u>	<u>(719)</u>	65.6%
Profit/(loss) net of tax		<u>2,346</u>	<u>(3,903)</u>	n/m	<u>(142)</u>	<u>(9,913)</u>	-98.6%
Other comprehensive income/(loss):							
Item that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations, net of tax		494	413	19.6%	1,285	1,549	-17.0%
		<u>494</u>	<u>413</u>	19.6%	<u>1,285</u>	<u>1,549</u>	-17.0%
Items that will not be reclassified to profit or loss:							
Change in fair value of equity instruments at fair value through other comprehensive income		585	(435)	n/m	2,120	(435)	n/m
Defined benefit plan actuarial gain/(loss), net of tax		5	(54)	n/m	5	(54)	n/m
		<u>590</u>	<u>(489)</u>	n/m	<u>2,125</u>	<u>(489)</u>	n/m
Other comprehensive income/(loss) for the period/year, net of tax		1,084	(76)	n/m	3,410	1,060	221.7%
Total comprehensive income/(loss)		<u>3,430</u>	<u>(3,979)</u>	n/m	<u>3,268</u>	<u>(8,853)</u>	n/m
Profit/(loss) net of tax attributable to:							
Equity holders of the Company		2,713	(5,797)	n/m	1,004	(11,117)	n/m
Non-controlling interests		<u>(367)</u>	<u>1,894</u>	n/m	<u>(1,146)</u>	<u>1,204</u>	n/m
Profit/(loss) net of tax		<u>2,346</u>	<u>(3,903)</u>	n/m	<u>(142)</u>	<u>(9,913)</u>	-98.6%
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		3,838	(5,971)	n/m	4,495	(10,072)	n/m
Non-controlling interests		<u>(408)</u>	<u>1,992</u>	n/m	<u>(1,227)</u>	<u>1,219</u>	n/m
Total comprehensive income/(loss)		<u>3,430</u>	<u>(3,979)</u>	n/m	<u>3,268</u>	<u>(8,853)</u>	n/m
Profit/(loss) per share attributable to equity holders of the Company (cents per share)							
Basic	9	<u>1.34</u>	<u>(2.87)</u>	<u>0.50</u>	<u>(5.50)</u>		
Diluted	9	<u>1.34</u>	<u>(2.87)</u>	<u>0.50</u>	<u>(5.50)</u>		

Note :

n/m = not meaningful

Condensed interim statements of financial position

	Note	Group		Company	
		As at 31 Dec 21 S\$'000	As at 31 Dec 20 S\$'000	As at 31 Dec 21 S\$'000	As at 31 Dec 20 S\$'000
ASSETS					
Non-current assets					
Land use rights		7,118	7,326	5,766	6,009
Property, plant and equipment	12	39,221	46,189	22,358	23,568
Investment property		1,591	-	-	-
Intangible assets		5,467	5,425	-	-
Investments in subsidiaries		-	-	28,649	28,649
Investment in joint venture		-	-	-	-
Investments in associates		3,257	4,550	3,430	3,430
Other investments	13	3,243	861	3,243	861
Right-of-use assets		2,962	4,626	10	1
Deferred tax assets		2,442	3,646	-	-
		<u>65,301</u>	<u>72,623</u>	<u>63,456</u>	<u>62,518</u>
Current assets					
Inventories		1,641	1,898	-	-
Contract assets		24,651	23,872	-	-
Trade and other receivables		74,300	80,993	1,376	1,929
Other assets		2,983	2,511	17	23
Cash and cash equivalents		81,534	80,273	7,365	7,797
		<u>185,109</u>	<u>189,547</u>	<u>8,758</u>	<u>9,749</u>
Assets classified as held for sale		-	1,605	-	-
		<u>185,109</u>	<u>191,152</u>	<u>8,758</u>	<u>9,749</u>
Total assets		<u>250,410</u>	<u>263,775</u>	<u>72,214</u>	<u>72,267</u>
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital		29,191	29,191	29,191	29,191
Retained earnings		82,628	82,260	23,932	25,427
Other reserves		(2,307)	(6,434)	189	(1,931)
		<u>109,512</u>	<u>105,017</u>	<u>53,312</u>	<u>52,687</u>
Non-controlling interests		(475)	772	-	-
Total equity		<u>109,037</u>	<u>105,789</u>	<u>53,312</u>	<u>52,687</u>
Non-current liabilities					
Trade and other payables		1,134	1,046	-	-
Other financial liabilities	14	23,436	27,612	14,695	16,009
Deferred tax liabilities		278	527	81	89
		<u>24,848</u>	<u>29,185</u>	<u>14,776</u>	<u>16,098</u>
Current liabilities					
Contract liabilities		6,329	4,853	-	-
Trade and other payables		91,638	102,629	2,545	2,104
Other financial liabilities	14	12,234	15,771	1,324	1,302
Other liabilities		4,532	2,833	59	45
Income tax payable		1,792	2,715	198	31
		<u>116,525</u>	<u>128,801</u>	<u>4,126</u>	<u>3,482</u>
Total liabilities		<u>141,373</u>	<u>157,986</u>	<u>18,902</u>	<u>19,580</u>
Total equity and liabilities		<u>250,410</u>	<u>263,775</u>	<u>72,214</u>	<u>72,267</u>

Condensed interim statements of changes in equity

Group	Attributable to equity holders of the Company					Equity, total S\$'000
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to equity holders of the Company, total S\$'000	Non- controlling interests S\$'000	
Opening balance at 1 January 2021	29,191	82,260	(6,434)	105,017	772	105,789
Profit/(loss) for the year	-	1,004	-	1,004	(1,146)	(142)
<u>Other comprehensive income/(loss)</u>						
Change in fair value of equity instruments at fair value through other comprehensive income	-	-	2,120	2,120	-	2,120
Foreign currency translation	-	-	1,366	1,366	(81)	1,285
Defined benefit plan actuarial gain	-	5	-	5	- *	5
Other comprehensive income/(loss) for the year, net of tax	-	5	3,486	3,491	(81)	3,410
Total comprehensive income/(loss) for the year	-	1,009	3,486	4,495	(1,227)	3,268
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	(20)	(20)
Total changes in ownership interests in subsidiaries	-	-	-	-	(20)	(20)
Total transactions with equity holders in their capacity as equity holders	-	-	-	-	(20)	(20)
<u>Other</u>						
Appropriation to statutory reserve fund	-	(641)	641	-	-	-
Total other	-	(641)	641	-	-	-
Closing balance at 31 December 2021	29,191	82,628	(2,307)	109,512	(475)	109,037

* Amount less than S\$1,000

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

Group	Attributable to equity holders of the Company					Equity, total S\$'000
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity attributable to equity holders of the Company, total S\$'000	Non- controlling interests S\$'000	
Opening balance at 1 January 2020	29,191	93,713	(7,815)	115,089	(312)	114,777
(Loss)/profit for the year	-	(11,117)	-	(11,117)	1,204	(9,913)
<u>Other comprehensive income/(loss)</u>						
Change in fair value of equity instrument at fair value through other comprehensive income	-	-	(435)	(435)	-	(435)
Foreign currency translation	-	-	1,531	1,531	18	1,549
Defined benefit plan actuarial loss	-	(51)	-	(51)	(3)	(54)
Other comprehensive (loss)/income for the year, net of tax	-	(51)	1,096	1,045	15	1,060
Total comprehensive (loss)/income for the year	-	(11,168)	1,096	(10,072)	1,219	(8,853)
<u>Changes in ownership interests in subsidiaries</u>						
Dividends paid to non-controlling interests of subsidiaries	-	-	-	-	(135)	(135)
Total changes in ownership interests in subsidiaries	-	-	-	-	(135)	(135)
Total transactions with equity holders in their capacity as equity holders	-	-	-	-	(135)	(135)
<u>Other</u>						
Appropriation to statutory reserve fund	-	(285)	285	-	-	-
Total other	-	(285)	285	-	-	-
Closing balance at 31 December 2020	29,191	82,260	(6,434)	105,017	772	105,789

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

Company	Attributable to equity holders of the Company			
	Share capital S\$'000	Retained earnings S\$'000	Other reserves S\$'000	Equity, total S\$'000
Opening balance at 1 January 2021	29,191	25,427	(1,931)	52,687
Loss for the year	-	(1,495)	-	(1,495)
<u>Other comprehensive income</u>				
Change in fair value of equity instruments at fair value through other comprehensive income	-	-	2,120	2,120
Other comprehensive income for the year, net of tax	-	-	2,120	2,120
Total comprehensive (loss)/income for the year	-	(1,495)	2,120	625
Total transactions with equity holders in their capacity as equity holders	-	-	-	-
Closing balance at 31 December 2021	<u>29,191</u>	<u>23,932</u>	<u>189</u>	<u>53,312</u>
Opening balance at 1 January 2020	29,191	34,409	(1,496)	62,104
Loss for the year	-	(8,982)	-	(8,982)
<u>Other comprehensive loss</u>				
Change in fair value of equity instrument at fair value through other comprehensive income	-	-	(435)	(435)
Other comprehensive loss for the year, net of tax	-	-	(435)	(435)
Total comprehensive loss for the year	-	(8,982)	(435)	(9,417)
Total transactions with equity holders in their capacity as equity holders	-	-	-	-
Closing balance at 31 December 2020	<u>29,191</u>	<u>25,427</u>	<u>(1,931)</u>	<u>52,687</u>

Condensed interim consolidated statement of cash flows

	Group	
	Year Ended	
	31 Dec 21 S\$'000	31 Dec 20 S\$'000
Cash flows from operating activities		
Profit/(loss) before tax	1,049	(9,194)
Adjustments for:		
Amortisation of intangible assets	29	212
Amortisation of land use rights	271	269
Bad trade debts written off	46	488
Depreciation of property, plant and equipment	4,393	4,874
Depreciation of right-of-use assets	2,522	3,498
Gain on disposal of assets classified as held for sale	(1,558)	-
Gain on disposal of right-of-use asset	(13)	-
Gain on lease modification	(28)	-
Impairment loss on contract assets	-	1,190
Impairment loss on intangible assets	-	3,563
Impairment loss on property, plant and equipment	446	2,531
Impairment loss on right-of-use asset	574	3,254
Net impairment loss on doubtful trade receivables	2,310	6,031
Net loss on disposal of property, plant and equipment	231	8
Performance share scheme expense	-	(185)
Property, plant and equipment written off	46	380
Write-off of trade and other payables	(135)	(1,604)
Interest income	(268)	(398)
Interest expense	892	1,172
Share of result of joint venture	-	403
Share of results of associates	1,132	1,705
Currency realignment	269	935
Operating cash flows before changes in working capital	<u>12,208</u>	<u>19,132</u>
(Increase)/decrease in:		
Inventories	257	584
Contract assets	(779)	(5,027)
Trade and other receivables	4,337	18,474
Other assets	(410)	1,130
Increase/(decrease) in:		
Contract liabilities	1,476	(4,540)
Trade and other payables	(10,768)	(6,638)
Other liabilities	1,699	(39)
Net cash flows from operations	<u>8,020</u>	<u>23,076</u>
Interest received	268	398
Interest paid	(615)	(842)
Income tax paid	(1,188)	(2,898)
Net cash flows from operating activities	<u>6,485</u>	<u>19,734</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(672)	(2,615)
Proceeds from disposal of assets classified as held for sale	3,153	-
Proceeds from disposal of property, plant and equipment	775	160
Proceeds from disposal of right-of-use asset	55	-
Acquisition of intangible asset	-	(206)
Acquisition of other investments	(262)	-
Net cash flows from/(used in) investing activities	<u>3,049</u>	<u>(2,661)</u>
Cash flows from financing activities		
Dividends paid to non-controlling interests of subsidiaries	(20)	(135)
Proceeds from draw down of loans and borrowings	6,835	14,305
Repayment of loans and borrowings	(12,577)	(13,121)
Repayment of lease liabilities	(3,420)	(3,599)
Decrease in deposits pledged for bank facilities	185	114
Net cash flows used in financing activities	<u>(8,997)</u>	<u>(2,436)</u>
Net increase in cash and cash equivalents	537	14,637
Effect of exchange rate changes on cash and cash equivalents	1,180	448
Cash and cash equivalents at beginning of year	78,672	63,587
Cash and cash equivalents at end of year (Note A)	<u>80,389</u>	<u>78,672</u>

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

Note A

Cash and cash equivalents included in the condensed interim consolidated statement of cash flows comprise the following:-

	Group	
	As at 31 Dec 21	As at 31 Dec 20
	S\$'000	S\$'000
Cash at banks and in hand	54,485	56,711
Short-term deposits	27,049	23,562
Cash and cash equivalents in statement of financial position	<u>81,534</u>	<u>80,273</u>
Bank overdrafts	(237)	(508)
Deposits pledged for bank facilities	(908)	(1,093)
Cash and cash equivalents for statement of cash flows	<u><u>80,389</u></u>	<u><u>78,672</u></u>

Notes to the condensed interim financial statements

1. General

Kingsmen Creatives Ltd. (the "Company") is a limited liability company incorporated in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited.

The primary activities of the Company are investment holding and the provision of corporate marketing and other related services. The principal activities of the subsidiaries are the design and production of interiors, exhibitions, decorations, museums and thematic, as well as the development and operation of experiential and themed attractions.

2. Basis of preparation

The condensed interim financial statements for the six months and financial year ended 31 December 2021 have been prepared in accordance with the Singapore Financial Reporting Standard (International) 1-34 Interim Financial Reporting as issued by the Singapore Accounting Standards Council. 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 financial position and financial performance since the last audited financial statements for the financial year ended 31 December 2020.

The condensed interim financial statements are presented in Singapore dollars ("S\$") and all values are rounded to the nearest thousand (S\$'000) except when otherwise indicated and they cover the Company and its subsidiaries (collectively, the "Group").

Except as disclosed in Note 2.1 below, the accounting policies and methods of computation adopted in the condensed interim financial statements are consistent with those disclosed in the audited financial statements for the financial year ended 31 December 2020.

2.1. New and revised standards adopted

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for the accounting periods beginning on or after 1 January 2021. The adoption of these new and revised SFRS(I) and INT SFRS(I) did not result in any substantial change to the accounting policies and has no significant impact on the condensed interim financial statements.

2.2. Use of judgements, estimates and assumptions

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

The significant judgements made by management in applying the accounting policies and the key assumptions and sources of estimation uncertainty were the same as those that applied to the audited financial statements for the financial year ended 31 December 2020.

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

3. Related party transactions

In addition to the transactions disclosed elsewhere in the condensed interim financial statements, significant related company and related party transactions include the following:

	Group				Company			
	6 Months Ended		Year Ended		6 Months Ended		Year Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Joint venture</u>								
Sales	146	240	157	2,466	-	-	-	-
Purchases	-	-	-	151	-	-	-	-
<u>Associates</u>								
Sales	50	229	232	335	-	-	-	-
Purchases	1,956	845	2,443	1,603	-	1	-	6
Corporate fee income	75	63	201	266	75	63	201	266
Rental income	39	32	75	65	39	32	75	65
<u>Related parties</u>								
Sales	17	73	17	83	-	-	-	-
Purchases	56	30	103	53	10	1	18	6
Corporate fee income	74	87	230	202	74	87	230	202

4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the six months and financial year ended 31 December 2021.

5. Segment and revenue information

For management purposes, the Group is organised into business units based on their products and services, and has five reportable operating segments as follows:

- The Exhibitions, Thematic and Attractions segment relates to the production of exhibition displays for trade shows and promotional events, interiors and displays for museums and visitor centres and thematic and scenic displays for theme parks, as well as the development and operation of experiential and themed attractions.
- The Retail and Corporate Interiors segment relates to the provision of interior fitting-out services to retail and commercial properties.
- The Research and Design segment relates to design works for upmarket specialty stores, departmental stores, eateries, museums, visitors' centres, corporate offices, showrooms, trade shows, events, promotional functions and festivals.
- The Alternative Marketing segment relates to event management, branding consultancy services and custom publishing.
- The Corporate and Others segment relates to Group-level corporate services.

These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision makers who are responsible for making decisions about resource allocation and performance assessment.

Segment assets and liabilities are not disclosed as they are not regularly provided to the chief operating decision makers.

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

5.1. Reportable segment profit or loss

Group	Exhibitions, Thematic and Attractions		Retail and Corporate Interiors		Research and Design		Alternative Marketing		Corporate and Others		Eliminations		Per Condensed Interim Financial Statements	
	6 Months Ended		6 Months Ended		6 Months Ended		6 Months Ended		6 Months Ended		6 Months Ended		6 Months Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue														
External customers	63,225	82,296	84,095	72,091	6,950	8,224	1,821	1,358	-	-			156,091	163,969
Inter-segment (Note A)	3,523	1,966	2,830	4,520	-	-	41	1,743	-	-	(6,394)	(8,229)	-	-
Total revenue	66,748	84,262	86,925	76,611	6,950	8,224	1,862	3,101	-	-	(6,394)	(8,229)	156,091	163,969
Results														
Interest income	63	69	58	87	6	10	8	9	16	16			151	191
Interest expense	(78)	(207)	(157)	(199)	(4)	(13)	(1)	(3)	(135)	(120)			(375)	(542)
Amortisation of intangible assets	(15)	(110)	-	-	-	-	-	-	-	-			(15)	(110)
Amortisation of land use rights	-	-	(15)	(13)	-	-	-	-	(121)	(121)			(136)	(134)
Bad trade debts written off	(25)	(102)	-	(307)	(21)	(4)	-	(10)	-	-			(46)	(423)
Depreciation of property, plant and equipment	(814)	(1,187)	(592)	(873)	(121)	(154)	(47)	(47)	(223)	(228)			(1,797)	(2,489)
Depreciation of right-of-use assets	(501)	(879)	(629)	(599)	(125)	(187)	(8)	(8)	(5)	(14)			(1,268)	(1,687)
Gain on disposal of right-of-use asset	-	-	-	-	-	-	-	-	13	-			13	-
Gain on lease modification	27	-	1	-	-	-	-	-	-	-			28	-
Impairment loss on intangible assets	-	(2,593)	-	(970)	-	-	-	-	-	-			-	(3,563)
Impairment loss on property, plant and equipment	(446)	(2,531)	-	-	-	-	-	-	-	-			(446)	(2,531)
Impairment loss on right-of-use asset	(574)	(3,254)	-	-	-	-	-	-	-	-			(574)	(3,254)
Net (impairment loss)/write back of impairment loss on doubtful trade receivables	(106)	(2,644)	(807)	(1,394)	4	(40)	-	(2)	-	-			(909)	(4,080)
Net (loss)/gain on disposal of property, plant and equipment	(235)	1	(4)	(23)	(1)	-	-	-	-	-			(240)	(22)
Property, plant and equipment written off	(23)	(380)	(4)	-	-	-	(1)	-	(1)	-			(29)	(380)
Write-off of trade and other payables	1	739	6	842	15	8	113	15	-	-			135	1,604
Share of result of joint venture	-	(767)	-	-	-	-	-	-	-	-			-	(767)
Share of results of associates	(100)	(375)	(252)	(158)	(6)	(8)	-	-	-	-			(358)	(541)
Segment (loss)/profit	(312)	(3,019)	3,420	970	887	601	513	(752)	(1,096)	(454)			3,412	(2,654)

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

5.1. Reportable segment profit or loss (cont'd)

Group	Exhibitions, Thematic and Attractions		Retail and Corporate Interiors		Research and Design		Alternative Marketing		Corporate and Others		Eliminations		Per Condensed Interim Financial Statements	
	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue														
External customers	108,834	148,556	148,429	119,897	12,992	15,032	2,922	3,473	-	-			273,177	286,958
Inter-segment (Note A)	4,309	4,070	4,694	7,165	-	-	230	2,113	-	-	(9,233)	(13,348)	-	-
Total revenue	<u>113,143</u>	<u>152,626</u>	<u>153,123</u>	<u>127,062</u>	<u>12,992</u>	<u>15,032</u>	<u>3,152</u>	<u>5,586</u>	<u>-</u>	<u>-</u>	<u>(9,233)</u>	<u>(13,348)</u>	<u>273,177</u>	<u>286,958</u>
Results														
Interest income	103	120	110	205	12	24	16	13	27	36			268	398
Interest expense	(235)	(356)	(385)	(470)	(10)	(29)	(3)	(8)	(259)	(309)			(892)	(1,172)
Amortisation of intangible assets	(29)	(212)	-	-	-	-	-	-	-	-			(29)	(212)
Amortisation of land use rights	-	-	(28)	(26)	-	-	-	-	(243)	(243)			(271)	(269)
Bad trade debts written off	(25)	(167)	-	(307)	(21)	(4)	-	(10)	-	-			(46)	(488)
Depreciation of property, plant and equipment	(2,276)	(2,435)	(1,288)	(1,572)	(278)	(313)	(95)	(95)	(456)	(459)			(4,393)	(4,874)
Depreciation of right-of-use assets	(949)	(1,786)	(1,221)	(1,267)	(319)	(402)	(16)	(16)	(17)	(27)			(2,522)	(3,498)
Gain on disposal of assets classified as held for sale	1,558	-	-	-	-	-	-	-	-	-			1,558	-
Gain on disposal of right-of-use asset	-	-	-	-	-	-	-	-	13	-			13	-
Gain on lease modification	27	-	1	-	-	-	-	-	-	-			28	-
Impairment loss on contract assets	-	-	-	(1,190)	-	-	-	-	-	-			-	(1,190)
Impairment loss on intangible assets	-	(2,593)	-	(970)	-	-	-	-	-	-			-	(3,563)
Impairment loss on property, plant and equipment	(446)	(2,531)	-	-	-	-	-	-	-	-			(446)	(2,531)
Impairment loss on right-of-use asset	(574)	(3,254)	-	-	-	-	-	-	-	-			(574)	(3,254)
Net (impairment loss)/write back of impairment loss on doubtful trade receivables	(392)	(3,191)	(1,922)	(2,798)	4	(40)	-	(2)	-	-			(2,310)	(6,031)
Net (loss)/gain on disposal of property, plant and equipment	(231)	1	-	(13)	-	-	-	-	-	4			(231)	(8)
Performance share scheme expense	-	128	-	18	-	29	-	10	-	-			-	185
Property, plant and equipment written off	(40)	(380)	(4)	-	-	-	(1)	-	(1)	-			(46)	(380)
Write-off of trade and other payables	1	739	6	842	15	8	113	15	-	-			135	1,604
Share of result of joint venture	-	(403)	-	-	-	-	-	-	-	-			-	(403)
Share of results of associates	(599)	(963)	(515)	(728)	(18)	(14)	-	-	-	-			(1,132)	(1,705)
Segment (loss)/profit	<u>(746)</u>	<u>(2,788)</u>	<u>2,659</u>	<u>(4,861)</u>	<u>707</u>	<u>950</u>	<u>(90)</u>	<u>(1,025)</u>	<u>(1,481)</u>	<u>(1,470)</u>			<u>1,049</u>	<u>(9,194)</u>

Note : Nature of eliminations to arrive at amounts reported in the condensed interim financial statements is as follows:

A. Inter-segment revenue are eliminated on consolidation.

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

5.2. Disaggregation of revenue

Disaggregation of revenue by geographical location is based on the location of customers, except for site orders of booth accessories placed by customers for official trade shows, which are based on location of the shows.

Group	Exhibitions, Thematic and Attractions		Retail and Corporate Interiors		Research and Design		Alternative Marketing		Total Revenue	
	6 Months Ended		6 Months Ended		6 Months Ended		6 Months Ended		6 Months Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Geographical location</u>										
South Asia *	37,625	42,787	39,848	39,762	4,525	4,066	1,821	1,358	83,819	87,973
North Asia **	24,090	39,053	38,002	25,890	1,948	3,779	-	-	64,040	68,722
Middle East	227	231	712	706	65	3	-	-	1,004	940
United States and Canada	906	24	5,425	5,078	35	3	-	-	6,366	5,105
Europe	377	201	6	349	324	262	-	-	707	812
Others	-	-	102	306	53	111	-	-	155	417
	63,225	82,296	84,095	72,091	6,950	8,224	1,821	1,358	156,091	163,969

* Included revenue of S\$56,792,000 (2020: S\$54,779,000) for Singapore

** Included revenue of S\$51,800,000 (2020: S\$44,996,000) for People's Republic of China

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

5.2. Disaggregation of revenue (cont'd)

Group	Exhibitions, Thematic and Attractions		Retail and Corporate Interiors		Research and Design		Alternative Marketing		Total Revenue	
	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Geographical location</u>										
South Asia #	62,354	76,490	78,472	69,048	8,435	8,656	2,922	3,473	152,183	157,667
North Asia ##	43,795	69,860	58,772	41,385	3,742	5,438	-	-	106,309	116,683
Middle East	244	1,608	859	1,526	78	10	-	-	1,181	3,144
United States and Canada	1,977	79	9,454	7,018	105	21	-	-	11,536	7,118
Europe	377	519	42	476	498	712	-	-	917	1,707
Others	87	-	830	444	134	195	-	-	1,051	639
	108,834	148,556	148,429	119,897	12,992	15,032	2,922	3,473	273,177	286,958

Included revenue of S\$104,452,000 (2020: S\$102,356,000) for Singapore

Included revenue of S\$83,382,000 (2020: S\$74,527,000) for People's Republic of China

Majority of the revenue is recognised over time, and the balance, at a point in time.

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

6. Other income

	Group			
	6 Months Ended		Year Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000
Corporate fee income	149	150	431	468
Gain on disposal of assets classified as held for sale	-	-	1,558	-
Gain on disposal of right-of-use asset	13	-	13	-
Gain on lease modification	28	-	28	-
Grants, subsidies and rebates	2,272	4,859	4,994	8,679
Rental income	692	634	1,330	1,257
Write-back of impairment loss on doubtful trade receivables	83	10	147	10
Write-off of trade and other payables	135	1,604	135	1,604
Miscellaneous income	305	282	369	415
	<u>3,677</u>	<u>7,539</u>	<u>9,005</u>	<u>12,433</u>

7. Profit/(loss) before tax

The following items have been included in arriving at profit/(loss) before tax:-

	Group			
	6 Months Ended		Year Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible assets	15	110	29	212
Amortisation of land use rights	136	134	271	269
Bad trade debts written off	46	423	46	488
Depreciation of property, plant and equipment	1,797	2,489	4,393	4,874
Depreciation of right-of-use assets	1,268	1,687	2,522	3,498
Impairment loss on contract assets	-	-	-	1,190
Impairment loss on doubtful trade receivables	992	4,090	2,457	6,041
Impairment loss on intangible assets	-	3,563	-	3,563
Impairment loss on property, plant and equipment	446	2,531	446	2,531
Impairment loss on right-of-use asset	574	3,254	574	3,254
Net foreign exchange loss	512	1,381	593	812
Net loss on disposal of property, plant and equipment	240	22	231	8
Property, plant and equipment written off	29	380	46	380

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

8. Income tax expense

The Group calculates the income tax expense using the statutory tax rates that would be applicable to the expected total annual earnings/(losses). The major components of income tax expense are as follows:

	Group			
	6 Months Ended		Year Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current tax expense/(credit)</u>				
Current year tax expense	1,206	1,407	1,736	1,997
(Over)/under provision in respect of prior period/year	(1,561)	215	(1,532)	181
	<u>(355)</u>	<u>1,622</u>	<u>204</u>	<u>2,178</u>
<u>Deferred tax expense/(income)</u>				
Deferred tax expense/(income)	1,421	(373)	987	(1,459)
	<u>1,421</u>	<u>(373)</u>	<u>987</u>	<u>(1,459)</u>
Income tax expense	<u>1,066</u>	<u>1,249</u>	<u>1,191</u>	<u>719</u>

9. Earnings/(loss) per share

	Group			
	6 Months Ended		Year Ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
Net profit/(loss) attributable to shareholders (S\$'000)	2,713	(5,797)	1,004	(11,117)
Weighted average number of ordinary shares in issue	201,948,299	201,948,299	201,948,299	201,948,299
Basic and diluted earnings/(loss) per share (S\$ cents)	1.34	(2.87)	0.50	(5.50)

The basic and diluted earnings/(loss) per share are the same as there were no potentially dilutive ordinary shares in issue as at 31 December 2021 and 31 December 2020.

10. Dividends

No dividend has been paid for the financial year ended 31 December 2021 (2020: S\$Nil).

11. Net asset value

	Group		Company	
	As at 31 Dec 21	As at 31 Dec 20	As at 31 Dec 21	As at 31 Dec 20
Net asset value, net of non-controlling interests (S\$'000)	109,512	105,017	53,312	52,687
Number of ordinary shares in issue, excluding treasury shares	201,948,299	201,948,299	201,948,299	201,948,299
Net asset value per ordinary share (S\$ cents)	54.23	52.00	26.40	26.09

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

12. Property, plant and equipment

During the financial year ended 31 December 2021, the Group acquired and disposed of property, plant and equipment amounting to S\$672,000 (2020: S\$2,409,000) and S\$1,006,000 (2020: S\$168,000) respectively.

13. Other investments

	Group and Company	
	As at 31 Dec 21 S\$'000	As at 31 Dec 20 S\$'000
Equity instruments at fair value through other comprehensive income		
- Quoted equity shares and warrants	3,205	823
- Unquoted equity shares	38	38
	<u>3,243</u>	<u>861</u>

During the financial year ended 31 December 2021, the Company subscribed to a rights and warrants issue arising from its investment in quoted equity shares, amounting to S\$262,000. Consequently, the net carrying amount of the Group's investment in quoted equity shares and warrants increased from S\$823,000 to S\$1,085,000. The fair value (Level 1) of the Group's investment in quoted equity shares and warrants was determined to be S\$3,205,000 (2020: S\$823,000) based on the quoted market prices at the end of the financial year. Hence, the Group recognised a change in fair value of S\$2,120,000 (2020: S\$435,000) in other comprehensive income for the financial year ended 31 December 2021.

Fair value information has not been disclosed for the Group's investment in unquoted equity shares that is carried at cost because the fair value (Level 3) cannot be measured reliably. The carrying amount of the investment of S\$38,000 (2020: S\$38,000) is not material to the Group and the Group does not intend to dispose of this investment in the foreseeable future.

14. Other financial liabilities

Other financial liabilities comprise of loans and borrowings and lease liabilities of S\$28,801,000 (2020: S\$34,820,000) and S\$6,869,000 (2020: S\$8,563,000) respectively.

Loans and borrowings comprise of bank loans, trust receipts and bank overdrafts and are secured by way of legal charges on the Group's properties in Singapore and Malaysia, corporate guarantees of the Company and a subsidiary in Malaysia, personal guarantees given by certain directors of the subsidiaries in Malaysia and short-term deposits pledged to the banks.

	Group		Company	
	As at 31 Dec 21 S\$'000	As at 31 Dec 20 S\$'000	As at 31 Dec 21 S\$'000	As at 31 Dec 20 S\$'000
<u>Secured loans and borrowings</u>				
- repayable within one year or on demand	10,111	12,973	1,322	1,301
- repayable after one year	<u>18,690</u>	<u>21,847</u>	<u>14,687</u>	<u>16,009</u>
	<u>28,801</u>	<u>34,820</u>	<u>16,009</u>	<u>17,310</u>
<u>Unsecured loans and borrowings</u>				
- repayable within one year or on demand	-	-	-	-
- repayable after one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Included in loans and borrowings are non-current loans and borrowings at fixed interest rate, of which the carrying amount is S\$2,981,000 (2020: S\$4,735,000). The fair value of the non-current loans and borrowings at fixed interest rate is determined to be S\$3,059,000 (2020: S\$4,927,000), which is estimated by discounting expected future cash flows at market incremental lending rate for similar types of arrangements.

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

15. Fair value measurement

The carrying amounts of financial assets and liabilities are as follows:

	<u>Group</u>		<u>Company</u>	
	<u>As at 31 Dec 21</u>	<u>As at 31 Dec 20</u>	<u>As at 31 Dec 21</u>	<u>As at 31 Dec 20</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets</u>				
Debt instruments at amortised cost				
- Trade and other receivables	74,300	80,993	1,376	1,929
- Cash and cash equivalents	81,534	80,273	7,365	7,797
Equity instruments at fair value through other comprehensive income				
- Quoted equity shares and warrants	3,205	823	3,205	823
- Unquoted equity shares	38	38	38	38
	<u>159,077</u>	<u>162,127</u>	<u>11,984</u>	<u>10,587</u>
<u>Financial liabilities</u>				
Financial liabilities at amortised cost				
- Trade and other payables	92,772	103,675	2,545	2,104
- Other financial liabilities	35,670	43,383	16,019	17,311
	<u>128,442</u>	<u>147,058</u>	<u>18,564</u>	<u>19,415</u>

The fair value measurements categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

The analyses of financial instruments that are measured subsequent to initial recognition at fair value are disclosed in the relevant notes to the condensed interim financial statements, where required. These include both the financial instruments stated at amortised cost and at fair value in the condensed interim statements of financial position. The carrying amounts of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amounts of current financial instruments are reasonable approximation of their fair values. The fair values of non-current financial instruments are not disclosed separately unless there are significant differences at the end of the financial year.

16. Subsequent events

There are no known subsequent events which have led to adjustments to the condensed interim financial statements for the financial year ended 31 December 2021.

Other information required by Appendix 7.2 of the Listing Manual

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

There were no changes in the Company's share capital for the current financial year ended 31 December 2021.

There were no outstanding convertibles issued by the Company as at 31 December 2021 and 31 December 2020.

There were no treasury shares held by the Company as at 31 December 2021 and 31 December 2020. There were no subsidiary holdings as at 31 December 2021 and 31 December 2020. The percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of issued shares excluding treasury shares and subsidiary holdings of 201,948,299 and 201,948,299 as at 31 December 2021 and 31 December 2020 were Nil% and Nil% respectively.

- 1(b) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<u>Company</u>	
	<u>As at 31 Dec 21</u>	<u>As at 31 Dec 20</u>
Total number of issued shares excluding treasury shares	<u>201,948,299</u>	<u>201,948,299</u>

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial year ended 31 December 2021.

- 1(d) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. There were no subsidiary holdings during and as at the end of the current financial year ended 31 December 2021.

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

The condensed interim financial statements for the current financial year ended 31 December 2021 have not been audited nor reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

Other information required by Appendix 7.2 of the Listing Manual (cont'd)

- 4 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

This is not required for any audit issue that is a material uncertainty relating to going concern.

- (a) updates on the efforts taken to resolve each outstanding audit issue; and

Not applicable. The latest audited financial statements for the financial year ended 31 December 2020 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

- (b) confirmation from the board of directors that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. The latest audited financial statements for the financial year ended 31 December 2020 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

- 5 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Review of Financial Performance – 2H2021 vs 2H2020 and FY2021 vs FY2020

Revenue

	Group					
	6 Months Ended			Year Ended		
	31 Dec 21	31 Dec 20	+/-	31 Dec 21	31 Dec 20	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Exhibitions, Thematic & Attractions	63,225	82,296	-23.2%	108,834	148,556	-26.7%
Retail & Corporate Interiors	84,095	72,091	16.7%	148,429	119,897	23.8%
Research & Design	6,950	8,224	-15.5%	12,992	15,032	-13.6%
Alternative Marketing	1,821	1,358	34.1%	2,922	3,473	-15.9%
	<u>156,091</u>	<u>163,969</u>	<u>-4.8%</u>	<u>273,177</u>	<u>286,958</u>	<u>-4.8%</u>

For the six months ended 31 December 2021 ("2H2021"), the Group recorded a revenue of S\$156.1 million, a decrease of S\$7.9 million or 4.8% compared to S\$164.0 million for the previous corresponding six months ended 31 December 2020 ("2H2020"). This brought revenue for the financial year ended 31 December 2021 ("FY2021") to S\$273.2 million, a decrease of S\$13.8 million or 4.8% compared to S\$287.0 million for the previous corresponding financial year ended 31 December 2020 ("FY2020").

The Exhibitions, Thematic & Attractions division registered a revenue of S\$63.2 million in 2H2021, a decrease of S\$19.1 million or 23.2% from S\$82.3 million in 2H2020. In FY2021, the division's revenue was S\$108.8 million, a decrease of S\$39.7 million or 26.7% from S\$148.5 million recorded in FY2020. The decrease in revenue was mainly due to the cancellation and postponement of physical trade shows, conferences and events by clients and the restriction of operations for experiential attractions, as the division continued to face headwinds due to international travel restrictions and strict capacity constraints. Amid the pandemic, the growing demand for hybrid digital/virtual trade shows, conferences and events has enabled the division to secure some of these new projects. These, coupled with the division's continued work on government related COVID-19 projects and multiple thematic projects, have helped to partially offset the fall in revenue.

The Retail & Corporate Interiors division recorded a revenue of S\$84.1 million in 2H2021, an increase of S\$12.0 million or 16.7% compared to S\$72.1 million in 2H2020. In FY2021, the division's revenue was S\$148.4 million, an increase of S\$28.5 million or 23.8% compared to S\$119.9 million in FY2020. The division has remained agile and resilient during the ongoing challenges of delays, disruptions and restrictions to project execution, and managed to capture new opportunities that emerged, which contributed positively to its revenue.

The Research & Design division achieved a revenue of S\$6.9 million in 2H2021, a decrease of S\$1.3 million or 15.5% from S\$8.2 million in 2H2020. In FY2021, the division's revenue was S\$13.0 million, a decrease of S\$2.0 million or 13.6% from S\$15.0 million recorded in FY2020. Although some projects were put on hold, the division continued to secure new projects and see numerous projects proceeding or completed as planned.

The Alternative Marketing division registered a revenue of S\$1.8 million in 2H2021, an increase of S\$0.5 million or 34.1% compared to S\$1.3 million in 2H2020. Revenue was lower at S\$2.9 million in FY2021, a decrease of S\$0.6 million or 15.9% from S\$3.5 million in FY2020. The division was impacted by the fall in demand for brand activation events and projects following cancellation and postponement by clients.

Other information required by Appendix 7.2 of the Listing Manual (cont'd)

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (cont'd)

Gross Profit

	Group					
	6 Months Ended			Year Ended		
	31 Dec 21	31 Dec 20	+/-	31 Dec 21	31 Dec 20	+/-
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	156,091	163,969	-4.8%	273,177	286,958	-4.8%
Gross profit	35,493	42,556	-16.6%	58,894	65,971	-10.7%
Gross profit margin	22.7%	26.0%		21.6%	23.0%	

Gross profit in 2H2021 decreased by S\$7.1 million or 16.6% to S\$35.5 million compared to S\$42.6 million in 2H2020. In FY2021, gross profit was S\$58.9 million, a decrease of S\$7.1 million or 10.7% from S\$66.0 million recorded in FY2020. The decrease was a result of lower revenue registered and lower margin achieved for certain events and projects. Gross profit margin was lower at 22.7% in 2H2021 compared to 26.0% in 2H2020, and 21.6% in FY2021 compared to 23.0% in FY2020.

Other Items of Income

Interest income decreased by S\$40,000 or 20.9% from S\$191,000 in 2H2020 to S\$151,000 in 2H2021, and by S\$130,000 or 32.7% from S\$398,000 in FY2020 to S\$268,000 in FY2021. The decrease was mainly due to a decline in the fixed deposit interest rates offered by banks.

Other income decreased by S\$3.9 million or 51.2% from S\$7.6 million in 2H2020 to S\$3.7 million in 2H2021. In FY2021, other income was S\$9.0 million, a decrease of S\$3.4 million or 27.6% from S\$12.4 million recorded in FY2020. The decrease was mainly due to the recognition of lower grants, subsidies and rebates (arising largely from the Jobs Support Scheme) and write-off of long outstanding trade and other payables. In addition, for FY2021, the decrease was partially offset by the recognition of a gain on disposal of assets classified as held for sale as the sale was completed during 1H2021.

Other Items of Expense

Depreciation of property, plant and equipment was S\$1.4 million in 2H2021, a decrease of S\$0.3 million or 18.3% from S\$1.7 million in 2H2020. In FY2021, depreciation of property, plant and equipment was S\$3.0 million, a decrease of S\$0.3 million or 10.5% from S\$3.3 million in FY2020. The decrease was mainly due to fully depreciated assets, of which no further depreciation charge was recorded.

Employee benefits expense declined by S\$2.9 million or 10.0% from S\$28.7 million in 2H2020 to S\$25.8 million in 2H2021, and by S\$4.0 million or 7.7% from S\$52.3 million in FY2020 to S\$48.3 million in FY2021. The decline was mainly due to lower performance linked incentives recorded and a reduction in headcount as the Group continues to right-size its workforce.

Other expenses stood at S\$7.9 million in 2H2021, a decrease of S\$12.8 million or 61.6% compared to S\$20.7 million in 2H2020. In FY2021, other expenses were S\$13.9 million, a decrease of S\$15.3 million or 52.4% compared to S\$29.2 million in FY2020. The decrease was mainly due to cost containment and saving measures implemented, lower impairment losses recognised on doubtful trade receivables, property, plant and equipment (experiential and themed attraction asset) and right-of-use asset (lease of retail premises for the operation of the experiential and themed attraction business) and the absence of impairment losses recognised on contract assets and intangible assets. The impairment loss on trade receivables mainly pertains to final account claims and retention sums and was made in consideration of the difficulty encountered in the recovery of the balances after taking into account factors such as outcome of negotiations, insolvency or significant financial difficulties and potential default or significant delay in payments. The impairment losses on property, plant and equipment and right-of-use asset were recognised after a review of the assets and the assumptions used in the assessment of their carrying values, including the impact and implications of the pandemic.

Interest expense fell by S\$0.2 million or 30.8% from S\$0.6 million in 2H2020 to S\$0.4 million in 2H2021, and by S\$0.3 million or 23.9% from S\$1.2 million in FY2020 to S\$0.9 million in FY2021. The fall in interest expense was mainly due to a lower amount of loans and borrowings outstanding and lower interest rates charged on the loans and borrowings.

Other information required by Appendix 7.2 of the Listing Manual (cont'd)

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (cont'd)

Share of Result of Joint Venture

Share of losses of joint venture in 2H2021 and FY2021 was not recognised as the Group does not have any obligations in respect of these losses where its share of losses exceeds the Group's interest in the joint venture. The Group's cumulative share of the unrecognised losses as at 31 December 2021 was S\$0.6 million.

Share of Results of Associates

Share of losses of associates decreased by S\$0.2 million or 33.8% from S\$0.6 million in 2H2020 to S\$0.4 million in 2H2021, and by S\$0.6 million or 33.6% from S\$1.7 million in FY2020 to S\$1.1 million in FY2021. The decrease was mainly due to lower loss contribution from certain associates.

Income Tax Expense

Income tax expense changed by S\$0.2 million or 14.7% from S\$1.3 million in 2H2020 to S\$1.1 million in 2H2021, and by S\$0.5 million or 65.6% from S\$0.7 million in FY2020 to S\$1.2 million in FY2021. The income tax expense was mainly due to the utilisation of deferred tax assets arising from tax losses of entities of the Group and the recognition of income tax payable by profitable entities of the Group.

Profit/(Loss) Net of Tax Attributable to Equity Holders of the Company

Based on the above, the Group recorded a profit net of tax attributable to equity holders of the Company of S\$2.7 million and S\$1.0 million in 2H2021 and FY2021 respectively compared to a loss net of tax attributable to equity holders of the Company of S\$5.8 million and S\$11.1 million in 2H2020 and FY2020 respectively.

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

Review of Financial Position – FY2021 vs FY2020

Non-current Assets

Non-current assets amounted to S\$65.3 million as at 31 December 2021, representing a decrease of S\$7.3 million from S\$72.6 million as at 31 December 2020. The decrease was mainly due to lower property, plant and equipment, investments in associates, right-of-use assets and deferred tax assets of S\$7.0 million, S\$1.3 million, S\$1.7 million and S\$1.2 million respectively, and partially offset by higher investment property and other investments of S\$1.6 million and S\$2.4 million respectively.

The decrease in property, plant and equipment was mainly due to the depreciation charge for the year, reclassification of assets (that were leased out to earn rental income and no longer held in use for business operations) to investment property, disposal of assets and impairment loss on experiential and themed attraction asset, and partially offset by addition of assets for the year.

The decrease in investments in associates was mainly due to the equity accounting of the share of losses for the year.

The decrease in right-of-use assets was mainly due to the depreciation charge for the year and impairment loss on the lease of retail premises for the operation of the experiential and themed attraction business, and partially offset by addition of assets for the year.

The decrease in deferred tax assets was mainly attributable to the utilisation of deferred tax assets during the year arising from tax losses of entities of the Group.

The investment property relates to a property of a subsidiary, comprising of freehold land and building, that was leased out at year end to a third party to earn rental income. Consequently, the property was reclassified from property, plant and equipment to investment property as it was no longer held in use by the subsidiary for its business operations.

The increase in other investments was due to the subscription to a rights and warrants issue arising from the investment in quoted equity shares during the year and the recognition of a net increase in the fair value of the investment in quoted equity shares and warrants based on quoted market prices as at 31 December 2021.

Other information required by Appendix 7.2 of the Listing Manual (cont'd)

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

Current Assets

Current assets amounted to S\$185.1 million as at 31 December 2021, representing a decrease of S\$6.0 million from S\$191.1 million as at 31 December 2020. The decrease was mainly due to lower trade and other receivables and assets classified as held for sale of S\$6.7 million and S\$1.6 million respectively, and partially offset by higher contract assets, other assets and cash and cash equivalents of S\$0.8 million, S\$0.5 million and S\$1.3 million respectively.

Trade and other receivables comprise of trade receivables and other receivables of S\$63.3 million (2020: S\$69.2 million) and S\$11.0 million (2020: S\$11.8 million) respectively. The decrease in trade receivables of S\$5.9 million was mainly due to the collections made and the impairment loss recognised, and is in line with the level of business activities during the year due to the pandemic. Other receivables comprise of loans receivable from associates and joint venture, staff advances and loans, deposits and miscellaneous receivables. The decrease in other receivables of S\$0.8 million was mainly due to lower miscellaneous receivables of S\$2.4 million, and partially offset by a loan of S\$0.9 million to the joint venture for working capital purpose and higher deposits of S\$0.7 million.

The assets classified as held for sale (which comprised of freehold land and building reclassified from property, plant and equipment for the sale) was derecognised as the sale was completed during the year.

The increase in contract assets was mainly due to the longer duration taken to perform and complete the work and the subsequent approval by, and invoicing to, clients due to the pandemic.

The increase in other assets was mainly due to more prepayments made and is in line with the business activities during the year due to the pandemic.

The increase in cash and cash equivalents was mainly attributable to the cash inflows from operating and investing activities and partially offset by the cash outflows from financing activities.

Non-current Liabilities

Non-current liabilities amounted to S\$24.9 million as at 31 December 2021, representing a decrease of S\$4.3 million from S\$29.2 million as at 31 December 2020. The decrease was mainly due to lower other financial liabilities of S\$4.2 million.

Other financial liabilities comprise of loans and borrowings and lease liabilities of S\$18.7 million (2020: S\$21.8 million) and S\$4.7 million (2020: S\$5.8 million) respectively. The decrease in loans and borrowings of S\$3.1 million and lease liabilities of S\$1.1 million was due to amounts reclassified from non-current to current as they become due and repayable within the next 12 months from 31 December 2021. The decrease in lease liabilities was partially offset by new lease liabilities taken out.

Current Liabilities

Current liabilities amounted to S\$116.5 million as at 31 December 2021, representing a decrease of S\$12.3 million from S\$128.8 million as at 31 December 2020. The decrease was mainly due to lower trade and other payables and other financial liabilities of S\$11.0 million and S\$3.5 million respectively, and partially offset by higher contract liabilities and other liabilities of S\$1.5 million and S\$1.7 million respectively.

Trade and other payables comprise of trade payables and other payables of S\$75.4 million (2020: S\$82.6 million) and S\$16.2 million (2020: S\$20.0 million) respectively. The decrease in trade payables of S\$7.2 million was mainly due to the payments made, and is in line with the level of business activities during the year due to the pandemic. Other payables comprise of provision for unutilised leave, accrued operating expenses, deposits and miscellaneous payables. The decrease in other payables of S\$3.8 million was mainly due to lower accrued operating expenses and miscellaneous payables of S\$3.1 million and S\$1.3 million respectively, and partially offset by higher provision for unutilised leave of S\$0.5 million.

Other financial liabilities comprise of loans and borrowings and lease liabilities of S\$10.1 million (2020: S\$13.0 million) and S\$2.1 million (2020: S\$2.8 million) respectively. The decrease in loans and borrowings of S\$2.9 million and lease liabilities of S\$0.7 million was due to repayments of matured amounts, and partially offset by new amounts taken out and amounts reclassified from non-current to current as they become due and repayable within the next 12 months from 31 December 2021.

Other information required by Appendix 7.2 of the Listing Manual (cont'd)

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

Current Liabilities (cont'd)

The increase in contract liabilities was mainly due to advances received from clients for ongoing projects, progress billings issued in excess of the right to payment and the longer duration taken to perform and complete the work due to the pandemic.

Other liabilities comprise of deferred income of S\$4.5 million (2020: S\$2.8 million) and the increase was due to higher amounts recognised for new projects and is in line with the business activities during the year due to the pandemic.

Review of Cash Flow Position – FY2021 vs FY2020

Net cash from operating activities of S\$6.5 million in FY2021 arose mainly from profit before tax of S\$1.0 million and adjusted for a net increase in non-cash flow items of S\$11.2 million (largely from depreciation of property, plant and equipment, depreciation of right-of-use assets, impairment losses on doubtful trade receivables, property, plant and equipment and right-of-use asset and gain on disposal of assets classified as held for sale) and cash outflow from a net increase in working capital requirements of S\$4.2 million (largely from movements in trade and other receivables, trade and other payables and other liabilities), and partially offset by income tax paid of S\$1.2 million.

Net cash from investing activities of S\$3.0 million in FY2021 arose mainly from proceeds from disposal of assets classified as held for sale of S\$3.1 million and proceeds from disposal of property, plant and equipment of S\$0.8 million, and partially offset by purchase of property, plant and equipment of S\$0.7 million and acquisition of other investments of S\$0.3 million.

Net cash used in financing activities of S\$9.0 million in FY2021 arose mainly from net repayment of loans and borrowings of S\$5.7 million and repayment of lease liabilities of S\$3.4 million.

Based on the above, the Group had a net increase in cash and cash equivalents of S\$0.5 million in FY2021 and the cash and cash equivalents stood at S\$80.4 million as at 31 December 2021.

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

The results for the financial year ended 31 December 2021 are in line with the general prospect commentary previously disclosed in the announcement on 13 August 2021.

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

The Group is seeing a return of the market and clients in its sectors, despite the ongoing uncertainty. Market needs have however evolved, with greater awareness and demand for consumer experiences, and the importance of end to end consumer journeys.

The exhibition and events business is seeing a gradual return, with several events already back on the calendar and new ones planned for the year. While clients continue to be cautious, they are increasing their enquiries, for participation, as well as for new ideas to engage audiences. This bodes well for the recovery of this sector.

The thematic attractions market continues to be buoyant, with 2022 expected to be a busy year for the team who is focused on managing and delivering multiple committed projects, while continuing to build the pipeline for new orders.

The Retails & Corporate Interiors division has seen growing enquiries and committed projects from existing and new clients, as they look to refresh or launch a new look to stay relevant in the new environment. There is also a clear push for new solutions in customer experience and engagement, especially in branded pop-up/experiential installations, as well as in sectors such as F&B and corporate offices.

The Research & Design division continues to be busy, fulfilling and meeting enquiries for new experiences and engagement concepts, as clients move forward in their plans and investments for the future.

Other information required by Appendix 7.2 of the Listing Manual (cont'd)

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

The attractions industry, continues to be severely impacted by international travel restrictions and strict capacity constraints. There is pent up demand for activity and engagement opportunities and the Group expects the industry to rebound once the restrictions and constraints are lifted. The Group is therefore continuing its push to expand its branded intellectual property concepts in the overseas markets, as well as develop and introduce new unique experiences that meet the changing needs of consumers and lifestyles.

As the playbook for the new environment emerges, it is increasing clear that differentiated experiences and engagement will be the future drivers of the Group's business. The Group will therefore refocus its efforts to enhance and build stronger capabilities in creativity and ideas, and experiential hybrid solutions. The Group will reshape its supply chain and ecosystem of partners to deliver holistic O2O (online-to-offline & vice versa) experiences for its clients.

As at 31 January 2022, the Group has secured contracts of S\$140 million, of which S\$128 million is expected to be recognised in FY2022.

8 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

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

No dividend has been declared or recommended for the current financial year ended 31 December 2021 as the Group wishes to retain cash for its business operations.

10 If the group has obtained a general mandate from shareholders for interested person transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited. If no interested person transactions mandate has been obtained, a statement to that effect.

No interested person transaction mandate has been obtained from the shareholders of the Company.

11 Confirmation that the issuer has procured undertakings from its directors and executive officers under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Company confirms that it has procured undertakings from its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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

Please refer to paragraph 5 for review of performance.

Other information required by Appendix 7.2 of the Listing Manual (cont'd)

13 A breakdown of sales is as follows:-

	Group		
	Year ended		
	31 Dec 21	31 Dec 20	% Change
	S\$'000	S\$'000	+ / (-)
Revenue reported for first half year	117,086	122,989	-4.8%
Operating loss after tax before deducting non-controlling interests reported for first half year	(2,488)	(6,010)	-58.6%
Revenue reported for second half year	156,091	163,969	-4.8%
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	2,346	(3,903)	n/m

Note :

n/m = not meaningful

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

Name	Age	Family relationship with any Director and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Ong Chin Kwan	64	Brother of Simon Ong Chin Sim (Deputy Executive Chairman and Substantial Shareholder)	<p>Executive Director and Creative Director of Kingsmen Design Pte Ltd.</p> <p>He is responsible for charting the creative direction and developing its design capabilities, ensuring that all designs meet the aesthetic, functional and budgetary requirements of the clients.</p> <p>Position held since January 2000.</p>	Not applicable

BY ORDER OF THE BOARD OF DIRECTORS

Soh Siak Poh Benedict
Executive Chairman

1 March 2022