



Adventus Holdings Limited

**(Company Registration No.: 200301072R)
(Incorporated in the Republic of Singapore)**

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

This announcement had been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinion made or reports contained in this announcement.

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ADVENTUS HOLDINGS LIMITED
UNAUDITED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2022

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

	Note	Group		% Change
		6 months ended		
		Unaudited 30 Jun 2022 S\$	Unaudited 30 Jun 2021 S\$	
Revenue		-	-	
Cost of sales		-	-	N/M
Gross profit		-	-	
Other income				
- Interest		111,089	5,524	1,911
- Others		35,779	41,955	(15)
Other gains		179,686	170,358	5
Expenses				
- Administrative		(638,695)	(702,716)	(9)
- Finance		(45,065)	(16,488)	173
Loss before income tax	6	(357,206)	(501,367)	
Income tax paid	7	(2,249)	-	N/M
Net loss for the financial period		(359,455)	(501,367)	(28)
Other comprehensive income, net of tax:				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation – gain		35,435	70,106	N/M
Items that will not be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation – gain		100,219	166,260	N/M
Total comprehensive loss		(223,801)	(265,001)	
Net profit/(loss) attributable to:				
Equity holders of the Company		54,211	(424,703)	
Non-controlling interests		(413,666)	(76,664)	
		(359,455)	(501,367)	
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		89,645	(354,597)	
Non-controlling interests		(313,446)	89,596	
		(223,801)	(265,001)	
Profit/(loss) per share attributable to equity holders of the Company (cents per share)				
- Basic and diluted (cents)		0.00	(0.02)	

N/M = not meaningful

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B. Condensed interim statements of financial position

	Note	Group		Company	
		30 Jun 2022 S\$ (Unaudited)	31 Dec 2021 S\$ (Audited)	30 Jun 2022 S\$ (Unaudited)	31 Dec 2021 S\$ (Audited)
ASSETS					
Current assets					
Cash and cash equivalents		5,467,746	4,772,728	3,549,294	1,927,835
Other receivables		2,040,854	6,119,179	18,813,208	17,740,847
Total current assets		7,508,600	10,891,907	22,362,502	19,668,682
Non-current assets					
Other receivables		1,808,646	1,597,665	-	-
Investments in subsidiary corporations		-	-	751	751
Property, plant and equipment	9	68,494,252	63,635,009	2,857	4,082
Right-of-use assets		1,626,659	1,653,133	7,792	19,498
Deferred tax assets		1,055,138	1,055,138	-	-
Total non-current assets		72,984,695	67,940,945	11,400	24,331
Total assets		80,493,295	78,832,852	22,373,902	19,693,013
LIABILITIES					
Current liabilities					
Other payables		3,234,770	6,689,136	4,104,614	6,176,844
Lease liabilities		8,147	20,104	8,147	20,104
Bank borrowings	10	5,684,055	3,674,460	-	-
Total current liabilities		8,926,972	10,383,700	4,112,761	6,196,948
Non-current liabilities					
Other payables		97,354	96,604	-	-
Bank borrowings	10	42,738,426	41,588,196	-	-
Total non-current liabilities		42,835,780	41,684,800	-	-
Total liabilities		51,762,752	52,068,500	4,112,761	6,196,948
Net assets		28,730,543	26,764,352	18,261,141	13,496,065
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	11	55,499,473	52,411,370	55,499,473	52,411,370
Translation reserve		(430,064)	(465,499)	-	-
Accumulated losses		(34,966,658)	(35,180,504)	(37,238,332)	(38,915,305)
		20,102,751	16,765,367	18,261,141	13,496,065
Other reserves		-	(3,376,847)	-	-
Non-controlling interest		8,627,792	13,375,832	-	-
Total equity		28,730,543	26,764,352	18,261,141	13,496,065

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C. Condensed interim statements of changes in equity

THE GROUP	Share capital S\$	Translation reserve S\$	Accumulated losses S\$	Total equity attributable to owners of the	Other reserves S\$	Non-controlling interest S\$	Total equity S\$
				Company S\$			
2022							
Balance at 1 January 2022	52,411,370	(465,499)	(35,180,504)	16,765,367	(3,376,847)	13,375,832	26,764,352
Net profit/(loss) for the period	-	-	54,211	54,211	-	(413,666)	(359,455)
Other comprehensive income for the period	-	35,435	-	35,435	-	100,219	135,654
Issue of shares	3,156,300	-	-	3,156,300	-	-	3,156,300
Share issue expenses	(68,197)	-	-	(68,197)	-	-	(68,197)
Obligation to acquire equity interests in subsidiary	-	-	-	-	(898,111)	-	(898,111)
Changes in 51% ownership interest in existing subsidiary that do not result in change of control	-	-	159,635	159,635	4,274,958	(4,434,593)	-
Balance at 30 June 2022	55,499,473	(430,064)	(34,966,658)	20,102,751	-	8,627,792	28,730,543
2021							
Balance at 1 January 2021	52,411,370	(631,311)	(34,553,872)	17,226,187	(3,376,847)	12,059,875	25,909,215
Net loss for the period	-	-	(424,703)	(424,703)	-	(76,664)	(501,367)
Other comprehensive income for the period	-	70,106	-	70,106	-	166,260	236,366
Balance at 30 June 2021	52,411,370	(561,205)	(34,978,575)	16,871,590	(3,376,847)	12,149,471	25,644,214
THE COMPANY							
	Share capital S\$	Accumulated losses S\$	Total equity S\$				
2022							
Balance at 1 January 2022	52,411,370	(38,915,305)	13,496,065				
Profit for the period, representing total comprehensive income for the period	-	1,676,973	1,676,973				
Issue of shares	3,156,300	-	3,156,300				
Share issue expenses	(68,197)	-	(68,197)				
Balance at 30 June 2022	55,499,473	(37,238,332)	18,261,141				
2021							
Balance at 1 January 2021	52,411,370	(38,080,295)	14,331,075				
Loss for the period, representing total comprehensive loss for the period	-	(360,701)	(360,701)				
Balance at 30 June 2021	52,411,370	(38,440,996)	13,970,374				

D. Condensed interim consolidated statement of cash flows

	Group	
	6 months ended	
	30 Jun 2022	30 Jun 2021
	S\$	S\$
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Loss before income tax	(357,206)	(501,367)
<i>Adjustments for:</i>		
- Depreciation of property, plant and equipment	4,931	10,406
- Amortisation of right-of-use assets	39,085	38,199
- Interest expense	45,065	16,488
- Interest income	(111,089)	(5,524)
- Shareholder loan waived-off	(35,135)	-
- Foreign exchange gain, net	(342,891)	(406,842)
	(757,240)	(848,640)
Change in working capital, net effects from disposal of subsidiary corporations		
- Other receivables	2,095	111,257
- Other payables	(33,142)	(1,344,375)
Cash used in operations	(788,287)	(2,081,758)
Income tax paid	(2,249)	-
Net cash used in operating activities	(790,536)	(2,081,758)
Cash flows from investing activities		
Additions to property, plant and equipment	(1,348,897)	(3,268,251)
Proceed from divestment in joint venture	-	1,695,053
Prepayment for property, plant and equipment	(1,808,646)	(1,211,260)
Interest paid	(1,380,764)	(1,080,942)
Interest received	622	5,524
Net cash used in investing activities	(4,537,685)	(3,859,876)
Cash flows from financing activities		
Repayment to a shareholder	-	(537,754)
Interest paid	(44,722)	-
Proceeds from bank borrowings	3,045,821	9,474,851
Repayment of bank borrowings	(72,487)	(350,926)
Repayment of lease liabilities	(12,300)	(12,300)
Proceeds from issuance of new shares, net of issuance expenses	3,088,103	-
Net cash generated from financing activities	6,004,415	8,573,871
Net increase in cash and cash equivalents	676,194	2,632,237
Cash and cash equivalents at beginning of the year	4,772,728	3,042,591
Net effect of exchange rate changes on cash and cash equivalents	18,824	56,220
Cash and cash equivalents at end of the year	5,467,746	5,731,048

D. Condensed interim consolidated statement of cash flows (Cont..)

	1 January 2022	Proceeds from borrowings	Principal and interest payment	Non-cash changes			Addition - new lease	30 June 2022
				Interest expense	Waiver	Foreign exchange movement		
	\$	\$	\$	\$	\$	\$	\$	
Bank borrowings	45,262,656	3,045,821	(1,497,973)	1,425,486	-	186,491	-	48,422,481
Lease liabilities	20,104	-	(12,300)	343	-	-	-	8,147
Loan from a shareholder	181,584	-	-	-	(35,135)	-	-	146,449

	1 January 2021	Proceeds from borrowings	Principal and interest payment	Non-cash changes			Addition - new lease	31 December 2021
				Interest expense	Waiver	Foreign exchange movement		
	\$	\$	\$	\$	\$	\$	\$	
Bank borrowings	33,063,655	12,658,927	(3,470,606)	2,367,520	-	643,160	-	45,262,656
Lease liabilities	43,096	-	(24,600)	1,608	-	-	-	20,104
Loan from a shareholder	719,339	15,796	(553,551)	-	-	-	-	181,584

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Adventus Holdings Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 52 Telok Blangah Road, #03-06 Telok Blangah House, Singapore 098829.

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

The principal activity of the Company is an investment holding. The principal activities of its subsidiary corporations are as follows:

- (1) Property ownership, development, management and investment, and hospitality services.
- (2) Investment holding activities.

2. Basis of Preparation

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

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

Going concern

The Group incurred a net loss of \$359,455 and net cash used in operating activities of \$790,536 for the financial period ended 30 June 2022. As at 30 June 2022, the Group’s current liabilities exceeded its current assets by \$1,418,372.

Management is of the view that the Group and the Company will continue to operate on a going concern and there is no material uncertainty related to these events or conditions that may cast significant doubt on the Group and the Company’s ability to continue as a going concern, having assessed the following sources of funding available to the Group for the next 12 months from the date of financial statements:

- The unutilised bank borrowing facilities of \$6,906,779 as at 30 June 2022 to finance the construction of the projects in Regis Bay and Hoi An Pearl;
- The written consent from shareholder to defer the payment for outstanding balance of \$146,449 which is due in 2022 for another 12 months.
- The Company’s controlling shareholder has given an undertaking to provide financial support to the Group and the Company for the next 12 months from the end of this financial period to operate without any curtailment of operations; and
- The Group will also explore fundraising opportunities to strengthen its financial position.

In carrying out the going concern assessment, significant judgements are involved in estimating the remaining cash commitment of the projects and other operating expenses as well as the impact of COVID-19 on the completion of the projects. Based on the sources of funding indicated above, management is confident that the strategies in place will improve the financial position of the Group and the Company so as to continue in operational existence for at least 12 months from the end of this financial period.

2.1 New and Amended Standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

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2.2 Uses of judgement and estimates

In preparing the interim financial statements, the management of the Group (the “Management”) has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The significant judgements made by the Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2021.

Information about estimates, assumptions and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

- (a) *Control over Regis Bay Vietnam Investment Joint-Stock Company (“Regis Bay”)*
- (b) *Capitalisation of project costs*
- (c) *Impairment of property, plant and equipment (“PPE”)*

There were no significant changes in critical judgements, estimates and assumptions as compared to the consolidated financial statements as at and for the financial year ended 31 December 2021.

3. Seasonal operations

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

4. Segment and revenue information

The Group has three reportable segments as follows:

- (a) Property and Hospitality : Property ownership, development, management and investment; and hospitality services
- (b) Corporate : Investment holding activities
- (c) Others : Dormant entities

For management purposes, the Group’s activities comprise the following reportable segment:

- (a) Property and Hospitality segment
 - Adventus Investments (Vietnam) Pte. Ltd.
 - ADV S1 Pte. Ltd.
 - ADV S2 Pte. Ltd.
 - ADV S3 Pte. Ltd.
 - ADV Management Services Company Limited
 - ADV V1 Holding Company Limited
 - AP Land Company Limited
 - Regis Bay Vietnam Investment Joint Stock Company
 - Hoi An Pearl Joint Stock Company
 - Crimson Star Development Pte Ltd
- (b) Corporate segment
 - Adventus Holdings Limited
- (c) Other segment
 - Northern Cardinal Commodities Pte Ltd

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4.1 Reportable segments

Information regarding the results of each reportable segment is included in section 4.1 below.

	Six months period ended 30 June							
	Property and Hospitality		Corporate		Others		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<i>(a) Segment revenues and result</i>								
Total revenue	-	-	-	-	-	-	-	-
Segment result	(287,621)	(206,794)	(166,494)	(305,584)	(4,894)	(19,980)	(459,009)	(532,358)
Other income							35,779	41,955
Interest income							111,089	5,524
Finance expense							(45,065)	(16,488)
Profit/(loss) before income tax							(357,206)	(501,367)
Income tax credit							(2,249)	-
Net profit/(loss) for the financial period							(359,455)	(501,367)
<i>(b) Segment assets and liabilities</i>								
Segment assets	76,890,294	72,427,773	3,578,149	2,502,525	24,852	24,490	80,493,295	74,954,788
Segment liabilities	50,536,035	48,437,658	1,139,116	867,816	87,601	5,100	51,762,752	49,310,574
Capital expenditure	4,327,326	6,252,571	-	-	-	-	4,327,326	6,252,571
Depreciation of property, plant and equipment	-	-	4,931	10,406	-	-	4,931	10,406
Amortisation of right-of-use assets	27,379	26,493	11,706	11,706	-	-	39,085	38,199

The directors of the Company monitor the operating results of its operating segments for the purpose of allocating resources and performance assessment. Performance across each segment is measured based on segment profit before income tax, as included in the internal management reports review by the Board of Directors.

4.2 Disaggregation of revenue

The Group do not have recurring revenue during the reporting period.

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5. Financial assets and financial liabilities

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

	Group		Company	
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
	S\$	S\$	S\$	S\$
Financial Assets				
Cash and bank balances and other receivables (Amortised cost)	7,496,080	10,863,956	22,351,949	19,642,749
Financial Liabilities				
Other payables and borrowings (Amortised cost)	51,762,752	52,068,500	4,112,761	6,196,948

6. Loss before income tax

6.1 Significant items

	Group	
	6 months ended 30 Jun 2022	6 months ended 30 Jun 2021
	S\$	S\$
Income		
Government grants received	644	41,955
Shareholder loan waived off	35,135	-
Interest income	111,089	5,524
Foreign exchange gain	179,686	170,358
Expenses		
Depreciation of property, plant and equipment	4,931	10,406
Amortisation of right-of-use assets	39,085	38,199

6.2 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Key management personnel compensation

The remuneration of directors and other members of key management during the financial period were as follows:

	Group	
	6 months ended 30 Jun 2022	6 months ended 30 Jun 2021
	S\$	S\$
Wages and salaries	162,000	228,000
Employer's contribution to defined contribution plans, including Central Provident Fund	12,240	14,940
	174,240	242,940

7. Income Tax Expense

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

	6 months ended 30 Jun 2022	6 months ended 30 Jun 2021
	S\$	S\$
Current income tax expense		
- under provision prior financial years	2,249	-

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8. Net Asset Value

	Group		Company	
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
	S\$	S\$	S\$	S\$
Net asset value per ordinary share (in cents)	0.82	0.86	0.74	0.69

9. Property, plant and equipment

During the six months ended 30 June 2022, the Group acquired assets amounting to S\$4,327,326 (30 June 2021: S\$6,252,571).

Borrowing costs included in the cost of qualifying assets as follows:

	Group	
	30 Jun 2022	30 Jun 2021
	S\$	S\$
Beginning of financial period	4,422,353	2,016,492
Additions	1,380,764	1,065,408
Currency translation differences	37,309	51,589
	5,840,425	3,133,889

10. Bank Borrowings

	Group	
	30 Jun 2022	31 Dec 2021
	S\$	S\$
<u>Amount repayable within one year</u>		
Secured	5,684,055	3,674,460
<u>Amount repayable after one year</u>		
Secured	42,738,426	41,588,196

As of 30 June 2022, the Company's ongoing joint venture development projects in Vietnam, Regis Bay Vietnam Investment Joint Stock Company ("RBV") and Hoi An Pearl Joint Stock Company ("HAP"), each has one (1) loan for its development located in Da Nang and Hoi An, from financial institution in Singapore and Vietnam respectively.

The financing for RBV is secured by its lands as collateral and a corporate guarantee from the Group and Vietnam partners, whereas the financing for HAP is secured by its land and a corporate guarantee solely by the Vietnam partners.

Repayment of loan for the Group's development in Hoi An has commenced since June 2021. The repayment of loan for Group's development in Danang will commence in Nov 2022.

Besides, the Group has also obtained a 5-year bridging loan of S\$3,000,000 for working capital purpose, which is repayable over 60 instalments after 12 months from the first drawdown date, 26 April 2021, bearing interest at 3% per annum. This loan is personally guaranteed by the controlling shareholder of the Company. The repayment of loan for the bridging loan has commenced since May 2022.

11. Share capital

	Group and Company			
	30 June 2022		31 December 2021	
	No. of shares	Amount S\$	No. of shares	Amount S\$
As at 1 January 2022	1,950,619,331	52,411,370	1,950,619,331	52,411,370
Issuance of ordinary shares	501,000,000	3,156,300	-	-
Share issuance expenses	-	(68,197)	-	-
As at 30 June 2022	2,451,619,331	55,499,473	1,950,619,331	52,411,370

There was a share placement of 501,000,000 shares at 0.0063 per share during the reporting period, totaling S\$3,088,103 net after expenses in relation to the placement exercise.

The Company did not hold any treasury shares nor have outstanding options, convertibles or subsidiary holdings as at 30 June 2022 and 31 December 2021.

12. Subsequent events

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

F. Other Information Required by Appendix 7C of the Listing Rule

1. Review

The condensed consolidated statements of financial position of Adventus Holdings Ltd (“Company”, together with its subsidiaries, the “Group”) as at 30 June 2022 and the related condensed consolidated statement of profit or loss, and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes (the “Condensed Interim Financial Statements”) have not been audited or reviewed by the Company’s auditors.

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

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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

Not Applicable

2. Review of performance of the Group

Review of Statement of Comprehensive Income in relation to the period 30 June 2022 (“1H2022”) compared to 30 June 2021 (“1H2021”)

a. Revenue and Cost of Sales

For 1H2022, the Group has no recurring revenue and no cost of sales incurred as the construction for both developments have yet to be completed as of the end of the current reporting period.

b. Other income – Interest

For 1H2022, the interest was charged on the loan facility provided to non-controlling shareholder, Panthera Company Limited (“Panthera”), for the Group’s development in Hoi An Pearl Joint Stock Company (“HAP”), until the completion of 51% share transfer of HAP to ADV S2 Private Limited, a wholly-owned subsidiary of the Company on 25 March 2022. For 1H2021, the interest charged was due to the termination of joint venture agreement which was fully settlement in January 2021.

c. Other income – Others

The income arose from amount owing to previous substantial shareholder, Higashi & Sons Pte Ltd, being waived off.

d. Other gains – net

These were the unrealised foreign exchange gain during the period.

e. Administrative expenses

Administrative expenses generally are incurred for the Group’s overheads and operation expenses for the reporting period. The decrease to S\$0.64 million in 1H2022 (1H2021: \$0.70 million) was attributable to the cessation of an Executive Director in FY2021.

f. Finance cost

The increase in finance cost was due to interest paid for the bridging loan amounting to S\$3 million from a local financial institution (as explained in section 10 Borrowings) obtained during FY2021.

Review of Statement of Financial Position in relation to 30 June 2022 (“1H2022”) compared to 31 December 2021 (“FY2021”)

g. Total Assets

The overall increase in Total Assets from an aggregate amount of approximately S\$78.83 million in FY2021 to S\$80.49 million in 1H2022 is largely attributable to the following:

i. *Increase in Property, Plant and Equipment*

Property, plant and equipment increased to an aggregate amount of approximately S\$68.49 million (FY2021: S\$63.64 million) due to its developments in Vietnam. As of 30 June 2022, the Group has two (2) development projects, located in Da Nang and in Hoi An. During 1H2022, development works continued to progress gradually amid the recovery of COVID situation.

ii. *Decrease in Other receivables and prepayments*

The reduction of other receivable was mainly due to reduction of the loan extended amounting S\$4,246,395 by way of transferring 51% of equity shares in Hoi An Pearl Joint Stock Company (“HAP”) to Adv S2 (“Shares Transfer”).

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h. Total Liabilities

The overall decrease in Total Liabilities from an aggregate amount of approximately S\$52.07 million in FY2021 to S\$51.76 million in 1H2022 were a net effect attributable to the followings:

i. Increase in bank borrowings

The developments in Vietnam project continue to make progressive drawn down from the banks during the construction phase, where it increased from an aggregate S\$45.26 million at end of FY2021 to S\$48.42 million by 1H2022. The total amount of S\$48.42 million includes the bridging loan of S\$3 million obtained from a local financial institution and was fully drawn during FY2021.

ii. Decrease in Other payables

The decrease in other payables was mainly due to settlement of amount due to non-controlling interests for the Group's investment in HAP, amounting to S\$4,246,395, upon completion of Share Transfer. The corresponding obligation to non-controlling interest set aside as "Other reserves" had been offset against by minority interest as a result of the Share Transfer.

Review of Statement of Cash Flows in relation to 30 June 2022 ("1H2022") compared to 30 June 2021 ("1H2021")

For 1H2022, the overall cash and cash equivalents amounted to approximately S\$5.47 million, the decrease from S\$5.73 million in 1H2021 were as follows:

- The net cash used in operating activities was approximately S\$0.79 million (1H2021: outflow of S\$2.08 million). The decrease was mainly attributable to the reduction in net working capital outflow of its payables.
- The net cash used in investing activities was approximately S\$4.54 million (1H2021: S\$3.86 million). The increase was mainly attributable to the increase in cash flow used for prepayment for property, plant and equipment ("PPE") of \$1.81 million (1H2021: S\$1.21 million) and interest paid on bank borrowings amounting to S\$1.38 million (1H2021: S\$1.08 million).
- The net cash generated from financing activities approximately amounted to S\$6.00 million (1H2021: S\$8.57 million) were mainly attributable to a decrease in proceed from bank borrowings of S\$6.43 million and proceeds from issuance of new shares, amounting to net of S\$3.09 million.

The overall cash and cash equivalents position in 1H2022 is adequate for the Group's overall operation, whilst the ongoing developments in Vietnam are financed via loan facilities provided by the banks.

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

The Company has not previously disclosed to shareholders any forecast or prospect statements.

4. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends: (a) based on the weighted average number of ordinary shares on issue; and (b) on a fully diluted basis (detailing any adjustments made to the earnings)

	Group and Company	
	30 Jun 2022	30 Jun 2021
Earnings /(losses) per share ("EPS" or "LPS") (\$ cents)		
On weighted average number of ordinary shares	0.00	(0.02)
On fully diluted basis	0.00	(0.02)
Net profit/(loss) attributable to shareholders (\$)		
Basic EPS/LPS	54,211	(424,703)
Diluted EPS/LPS	54,211	(424,703)
Weighted average number of ordinary shares in issue		
Basic EPS/LPS	2,169,287,839 ⁽¹⁾	1,950,619,331
Diluted EPS/LPS	2,169,287,839 ⁽¹⁾	1,950,619,331

⁽¹⁾ The calculation for the basic and diluted EPS/LPS is based on the weighted average number of ordinary shares in issue during the respective financial periods.

The basic and diluted EPS and LPS for 1H2021 and 1H2022 respectively were the same as there were no potentially dilutive securities in issue as at 30 June 2021 and 30 June 2022.

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5. 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

Whilst the COVID-19 pandemic has severely impacted the progress of the Group's projects in Vietnam, the developments have been progressing and the Group remains hopeful that the development of both hotels in Vietnam will complete soon.

While the Vietnamese government has decided to reopen inbound and outbound tourism, the tourism market outlook remains slow. The Group will continue to monitor the developments to ensure that the Group can make an informed decision on the feasibility of commencing both hotels' operation upon completion of the developments.

The Group will make the necessary announcements on SGXNET if there are any updates to the developments of the two hotels and/or the Group's plans.

Apart from this, the Group will continue to look for the right opportunities to diversify its businesses to create revenue streams. This could happen through further acquisitions, investments or the starting of new businesses.

6. Dividend Information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

The Company did not recommend any dividend for the financial period ended 30 June 2022.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

The Company did not recommend or declare any dividend for the financial period ended 31 December 2021.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

(f) If no dividend has been declared/recommended, a statement to that effect

Based on the Group and Company's financial performance for the 6 months period ended 30 June 2022 and in light of the uncertainty and challenging economic crisis following the outbreak of Covid-19 pandemic, no dividend has been declared or recommended for the reporting period.

7. Interested person transactions

Save as disclosed above in relation to the Company's repayment of the existing interest-free shareholder loan, there was no interested person transaction which is S\$100,000 and above during the period under review. The Group has not obtained a general mandate from shareholders in respect of any interested person transactions.

8. 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 hereby confirms that it has procured signed undertakings from all its directors and relevant executive officers in the format as set out in Appendix 7H of the Listing Manual in accordance with Rule 720(1) of the Listing Manual.

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9. Negative Assurance Confirmation by Directors Pursuant to SGX Listing Rule 705(5)

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

10. Disclosures required pursuant to Rule 706A of the Catalist Rules

As disclosed in the Company's Announcement dated 28 March 2022, the Company has announced that the transfer of 51% equity shares in Hoi An Pearl Joint Stock Company ("HAP") to ADV S2 Private Limited ("Adv S2"), a wholly-owned subsidiary of the Company, had been completed on 25 March 2022. Following the completion of Shares Transfer, ADV S2 is effectively the 51% owner of the equity shares in HAP.

11. Utilisation of Proceeds

During the reporting period, the Company has raised a net proceed of S\$3,088,103 through a share placement in March 2022 (refer to announcement dated 31 March 2022) and the exercise was completed in April 2022 (refer to announcement dated 12 April 2022).

	S\$
Share placement of 501,000,000 at S\$0.0063 per share	3,156,300
Commission for Placement Agent, Professional fees, and other related expenses	<u>(68,197)</u>
Net Proceed from Share placement	<u>3,088,103</u>

As at 30 June 2022, the Company had balance proceeds of S\$2.68 million, approx. S\$0.41 million was used for working capital purposes, as set out below:

	S\$
Balance as at 14 April 2022	3,088,103
Fund transfer of USD300,000 at S\$1.377 for working capital in developments in Vietnam	<u>(413,100)</u>
Balance as at 30 June 2022	<u>2,675,003</u>

There were no material deviations from the stated use of proceeds.

On behalf of the Board,

Loh Eu Tse Derek
Non-Executive Independent Chairman

Chin Rui Xiang
Executive Director

12 August 2022