



CONDENSED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 JUNE 2023

SINJIA LAND LIMITED

Incorporated in the Republic of Singapore
Company Registration Number – 200402180C

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	GROUP	
		6 months ended 30 June 2023	6 months ended 30 June 2022
		(Unaudited) \$'000	(Unaudited) \$'000
Revenue	3 (b)	339	246
Costs of sales		(283)	(264)
Gross profit/(loss)		56	(18)
Other income		7	9
Other credits		9	51
Expenses			
- Administrative		(777)	(963)
- Interest		(1)	(3)
- Other charges		(24)	-
Loss before income tax	4	(730)	(924)
Income tax expenses	5	-	(1)
Net loss for the financial period		(730)	(925)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
- Currency translation differences arising from consolidation		2	2
Other comprehensive income, net of tax		2	2
Total comprehensive loss		(728)	(923)
Loss attributable to:			
Equity holders of the Company		(731)	(910)
Non-controlling interests		1	(15)
		(730)	(925)
Total comprehensive loss attributable to:			
Equity holders of the Company		(729)	(908)
Non-controlling interests		1	(15)
		(728)	(923)
Loss per share attributable to equity holders of the Company (cents per share)			
Basis and diluted loss per share	6	(0.35)	(0.49)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited) \$'000	(Audited) \$'000	(Unaudited) \$'000	(Audited) \$'000
ASSETS					
Current assets					
Trade and other receivables		63	71	366	642
Other current assets	8	1,072	1,091	1,027	1,036
Cash and cash equivalents		726	1,436	237	657
		<u>1,861</u>	<u>2,598</u>	<u>1,630</u>	<u>2,335</u>
Non-current assets					
Financial assets, at fair value through other comprehensive income ("FVOCI")	9		-	-	-
Investments in an associated company			-	-	-
Investments in subsidiary corporations			-	-	-
Plant and equipment		33	145	2	3
Investment properties	10	1,085	1,076	1,085	1,076
		<u>1,118</u>	<u>1,221</u>	<u>1,087</u>	<u>1,079</u>
Total assets		<u>2,979</u>	<u>3,819</u>	<u>2,717</u>	<u>3,414</u>
LIABILITIES					
Current liabilities					
Trade and other payables		379	378	314	305
Borrowings	11	19	132	3,888	3,888
		<u>398</u>	<u>510</u>	<u>4,202</u>	<u>4,193</u>
Total liabilities		<u>398</u>	<u>510</u>	<u>4,202</u>	<u>4,193</u>
NET ASSETS/(LIABILITIES)		<u>2,581</u>	<u>3,309</u>	<u>(1,485)</u>	<u>(779)</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	12	27,559	27,559	27,559	27,559
Treasury shares	12	(2,602)	(2,602)	(2,602)	(2,602)
Accumulated losses		(19,276)	(18,545)	(23,298)	(22,592)
Other reserves		(3,137)	(3,139)	(3,144)	(3,144)
		<u>2,544</u>	<u>3,273</u>	<u>(1,485)</u>	<u>(779)</u>
Non-controlling interests		37	36	-	-
Total equity		<u>2,581</u>	<u>3,309</u>	<u>(1,485)</u>	<u>(779)</u>

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	GROUP	
		6 months ended 30 June 2023	6 months ended 30 June 2022
		(Unaudited) \$'000	(Unaudited) \$'000
Cash flows from operating activities			
Net loss after income tax		(730)	(925)
Adjustments for:			
- Depreciation of plant and equipment	4.1	114	112
- Fair value gain on investment property	4.1	(9)	(33)
- Income tax expenses	5	-	1
- Interest expenses		1	3
- Gain on disposal of property classified as held-for-sale	4.1	-	(11)
- Gain on disposal of investment property	4.1	-	(15)
- Unrealised currency translation losses		21	20
- Write off of other payables	4.1	-	(14)
Operating cash flows before working capital changes		(603)	(862)
Change in working capital:			
- Trade and other receivables		7	109
- Other current assets		19	(978)
- Trade and other payables		1	(73)
Cash flows used in operations		(576)	(1,804)
Income tax paid		-	(3)
Net cash used in operating activities		(576)	(1,807)
Cash flows from investing activities			
Additions to plant and equipment		(2)	(3)
Proceeds from disposal of property classified as held-for-sale, net of direct expenses		-	331
Proceeds from disposal of investment property , net of direct expenses		-	42
Net cash (used in)/generated from investing activities		(2)	370
Cash flows from financing activities			
Net proceeds from issuance of shares	12	-	2,312
Principal payment of lease liabilities		(113)	(104)
Interest paid		(1)	(3)
Net cash (used in)/generated from financing activities		(114)	2,205
Net (decrease)/increase in cash and cash equivalents		(692)	768
Cash and cash equivalents			
Beginning of financial period		1,436	902
Net foreign exchange difference		(18)	-
End of financial period		726	1,670

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company					Non-Controlling Interests \$'000	Total Equity \$'000
	Share Capital \$'000	Treasury Shares \$'000	Accumulated Losses \$'000	Other Reserves \$'000	Subtotal \$'000		
Group							
2023							
As at 1 January (audited)	27,559	(2,602)	(18,545)	(3,139)	3,273	36	3,309
Loss for the period	-	-	(731)	-	(731)	1	(730)
Other comprehensive loss for the period	-	-	-	2	2	-	2
Total comprehensive loss for the period	-	-	(731)	2	(729)	1	(728)
As at 30 June (unaudited)	27,559	(2,602)	(19,276)	(3,137)	2,544	37	2,581
2022							
As at 1 January (audited)	25,247	(2,602)	(16,797)	(3,144)	2,704	44	2,748
Loss for the period	-	-	(910)	-	(910)	(15)	(925)
Other comprehensive loss for the period	-	-	-	2	2	-	2
Total comprehensive loss for the period	-	-	(910)	2	(908)	(15)	(923)
Issue of shares	2,312	-	-	-	2,312	-	2,312
As at 30 June (unaudited)	27,559	(2,602)	(17,707)	(3,142)	4,108	29	4,137
Company							
2023							
As at 1 January (audited)	27,559	(2,602)	(22,592)	(3,144)	(779)	-	(779)
Loss for the period	-	-	(706)	-	(706)	-	(706)
Other comprehensive loss for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(706)	-	(706)	-	(706)
As at 30 June (unaudited)	27,559	(2,602)	(23,298)	(3,144)	(1,485)	-	(1,485)
2022							
As at 1 January (audited)	25,247	(2,602)	(16,627)	(3,144)	2,874	-	2,874
Loss for the period	-	-	(857)	-	(857)	-	(857)
Other comprehensive loss for the period	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(857)	-	(857)	-	(857)
Issue of shares	2,312	-	-	-	2,312	-	2,312
As at 30 June (unaudited)	27,559	(2,602)	(17,484)	(3,144)	4,329	-	4,329

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Sinjia Land Limited (the “Company”) is a Company incorporated in the Republic of Singapore and is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the Group). The principal activity of the Company is that of an investment holding company.

The principal activities of the Group are:

- (a) Investment holding; and
- (b) Lodging and boarding houses and backpackers'hostel.

2. Basis of Preparation

2.1 Statement of compliance

The condensed interim financial statements for the six months ended 30 June 2023 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 2022.

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 2.2.

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

2.2 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.

2.3 Use of estimates and judgements

The preparation of condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Estimates and assumptions 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 areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed as follow:

Valuation of investment properties

As disclosed in Note 10.1 to the condensed interim financial statements, investment properties are stated at fair value based on valuations performed by independent professional valuers. In determining the fair value, the valuers have used a valuation method which involves certain estimates. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation method is reflective of current market conditions and the estimations used are appropriate.

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

2. Basis of Preparation (continued)

2.4 Seasonal operations

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

3. Segment and Revenue Information

Segment information

The Chief Executive Officer ("CEO") is the Group's chief operating decision maker. Management has determined the operating segments based on the reports reviewed by the CEO that are used to make strategic decisions, allocate resources and assess performance.

The Group's principal businesses are as follows:

- (1) The Hospitality Management ("HM") segment manages and operates lodging and boarding houses and backpackers' hostels.
- (2) The Corporate ("IH") segment is involved in Group level corporate services, treasury functions and investments. It derives its income substantially from inter-company transactions and rental earned from investment properties.

	<u>HM</u> \$'000	<u>IH</u> \$'000	<u>GROUP</u> \$'000
<u>From 1 January 2023 to 30 June 2023</u>			
Sales to external parties	339	-	339
Adjusted EBITDA	116	(731)	(615)
Depreciation (Note 4.1)	(112)	(2)	(114)
<u>30 June 2023</u>			
Segment assets	93	2,160	2,253
Segment assets includes:			
Additions to:			
- Plant and equipment	2	-	2
Segment liabilities	59	320	379

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

3. Segment and Revenue Information (continued)

Segment information (continued)

	<u>HM</u> \$'000	<u>IH</u> \$'000	<u>GROUP</u> \$'000
<u>From 1 January 2022 to 30 June 2022</u>			
Sales to external parties	238	8	246
Adjusted EBITDA	40	(849)	(809)
Depreciation (Note 4.1)	(110)	(2)	(112)
<u>31 December 2022</u>			
Segment assets	211	2,172	2,383
Segment assets includes:			
Additions to:			
- Plant and equipment	11	-	11
Segment liabilities	68	310	378

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators: (1) earnings from operations before depreciation, amortisation, interests and income taxes ("**EBITDA**").

No separate segmental assets and liabilities by segment business are presented as management is of the opinion that it is impracticable to separate assets and liabilities for each business segment. Additionally, the measurement of total assets and liabilities for each reportable segment is not used by the Board of Directors when making operating decisions about allocating resources to the business segment and assessing its performance.

(a) Reconciliations

(i) Segment losses

A reconciliation of adjusted EBITDA to loss before tax is as follows:

	GROUP	
	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000
Total adjusted EBITDA	(615)	(809)
Depreciation	(114)	(112)
Interest expense	(1)	(3)
Loss before tax	(730)	(924)

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

3. Segment and Revenue Information (continued)

Segment information (continued)

(a) *Reconciliations (continued)*

(ii) *Segment assets*

The amounts reported to the Chief Executive Officer with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than cash and cash equivalents and property classified as held-for-sale.

Segment assets are reconciled to total assets as follows:

	GROUP	
	30 June 2023	31 December
	\$'000	2022
		\$'000
Segment assets for reportable segments	2,253	2,383
Unallocated:		
- Cash and cash equivalents	726	1,436
Total assets	<u>2,979</u>	<u>3,819</u>

(iii) *Segment liabilities*

The amounts provided to the Chief Executive Officer with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than income tax liabilities and borrowings.

Segment liabilities are reconciled to total liabilities as follows:

	GROUP	
	30 June 2023	31 December
	\$'000	2022
		\$'000
Segment liabilities for reportable segments	379	378
Unallocated:		
- Borrowings	19	132
Total liabilities	<u>398</u>	<u>510</u>

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

3. Segment and Revenue Information (continued)

Segment information (continued)

(b) Revenue from lodging service and rental income

Revenues from external customers are derived mainly from lodging service and rental income.

The breakdown of the Group's revenue by services as below:

Disaggregation of revenue from contracts with customers

	GROUP	
	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000
<u>At a point in time</u>		
Lodging service(1)	266	151
<u>Over time</u>		
Rental income(2)	73	95
Total revenue	339	246

(1) The revenue from lodging service is derived in Singapore.

(2) Rental income is derived from rental income from subleasing the hostel premise in Singapore and rental income from investment properties in Malaysia as below:

	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000
Malaysia	-	8
Singapore	73	87
Total revenue	73	95

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

3. Segment and Revenue Information (continued)

(c) Geographical information

The Group's business segments operate in Singapore and Malaysia.

The Company is headquartered and has operations in Singapore. The operations in this area are principally hospitality management and investment holding.

	Non-current assets	
	30 June 2023 \$'000	31 December 2022 \$'000
Singapore	33	145
United States	1,085	1,076
	<u>1,118</u>	<u>1,221</u>

4. Loss before income tax

4.1 Significant Items

	GROUP	
	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000
Income /(Expenses)		
Currency exchange loss-net	(24)	(22)
Depreciation of plant and equipment	(114)	(112)
Fair value gain on investment property	9	33
Gain on disposal of property classified as held for sale	-	11
Gain on disposal of investment property	-	15
Write off of other payables	-	14
	<u> </u>	<u> </u>

4.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

5. Income tax expenses

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:

	GROUP	
	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000
Current income tax expenses	-	1

6. Loss per share

Basic and diluted loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of shares outstanding during the financial period.

	GROUP	
	6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000
Loss attributable to the equity holders of the Company (\$'000)	(731)	(910)
Weighted average number of ordinary shares ('000)	207,073	184,319
Basic and diluted loss per share (cents per share)	(0.35)	(0.49)

7. Net asset value per share

	GROUP		COMPANY	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Net assets/(liabilities) value per share based on existing issued share capital as at the respective dates (cents)	1.23	1.58	(0.72)	(0.38)

Net asset value per share of the Group and the Company is calculated based on 207,072,685 issued shares (excluding treasury shares) as at 30 June 2023 and 31 December 2022.

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

8. Other current assets

	GROUP		COMPANY	
	30 June 2023 \$'000	31 December 2022 \$'000	30 June 2023 \$'000	31 December 2022 \$'000
Refundable deposit paid to Binex Inc (a)	1,000	1,000	1,000	1,000
Other deposits	48	62	7	19
Prepayments	24	29	20	17
	1,072	1,091	1,027	1,036

- (a) On 31 January 2022, the Company entered into a sale and purchase agreement (the “SPA”) with BINEX Inc., 3DOM Inc., Biomass Energy Corporation, Mebius Inc. and Future Science Research Inc. (collectively, the “Vendors”), in relation to the proposed acquisition of the entire issued and paid-up share capital of BINEX Singapore (Pte. Ltd.) (the “Target”), a company incorporated in the Republic of Singapore, by the Company.

On 23 June 2022, the Company paid a refundable deposit of \$1,000,000 to BINEX Inc.

9. Financial assets, at FVOCI

	GROUP AND COMPANY	
	30 June 2023 \$'000	31 December 2022 \$'000
Non-current assets		
Unquoted security		
Equity security – Singapore (a)	-	-

- (a) Consists of 7,824,000 shares, initially valued at \$0.42 each. The fair value is assessed to be nil at reporting date.

10. Investment properties

	GROUP		COMPANY	
	30 June 2023 \$'000	31 December 2022 \$'000	30 June 2023 \$'000	31 December 2022 \$'000
Beginning of financial period/year	1,076	1,631	1,076	1,080
Fair value gain /(loss)	9	(4)	9	(4)
Disposal	-	(551)	-	-
End of financial period/year	1,085	1,076	1,085	1,076

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

10. Investment properties (continued)

The details of the Group's investment properties as at 30 June 2023 and 31 December 2022 are as follows:

<u>Location</u>	<u>Description</u>	<u>Existing use</u>	<u>Tenure</u>	<u>Valuation Date</u>
30 June 2023				
30th Avenue SW and Interstate 94 Dickinson, North Dakota 58601	125 acres land (100% interest)	Vacant	Freehold	31 December 2022
31 December 2022				
30th Avenue SW and Interstate 94 Dickinson, North Dakota 58601	125 acres land (100% interest)	Vacant	Freehold	31 December 2022

10.1 Valuation

The investment properties are measured at fair value using significant other observable inputs (Level 2).

Valuation techniques and inputs used to derive Level 2 fair values

Level 2 fair values of the Group's properties were derived using the sales comparison approach. Sales prices of comparable properties in close proximity were adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is the comparative indicators that are abstracted from sales of similar sites and applied to the appraised site.

Valuation processes of the Group

The Group had engaged external, independent and qualified valuers to determine the fair value of the Group's properties based on the properties' highest and best use.

11. Borrowings

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>30 June 2023 \$'000</u>	<u>31 December 2022 \$'000</u>	<u>30 June 2023 \$'000</u>	<u>31 December 2022 \$'000</u>
Current				
Loan from subsidiary corporation ^(a)	-	-	3,888	3,888
Lease liabilities	19	132	-	-
Total borrowings	19	132	3,888	3,888

(a) The loan from subsidiary corporation is unsecured, interest free and repayable on demand.

Security granted

Total borrowings include secured liabilities of \$19,000 (31 December 2022: \$132,000) for the Group. Lease liabilities of the Group are secured over leased hostel premise.

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(continued)

12. Share capital and treasury shares

	<u>No. of ordinary shares</u>		<u>Amount</u>	
	<u>Issued share</u> <u>capital</u> <u>'000</u>	<u>Treasury</u> <u>shares</u> <u>'000</u>	<u>Issued share</u> <u>capital</u> <u>\$'000</u>	<u>Treasury</u> <u>shares</u> <u>\$'000</u>
GROUP AND COMPANY				
30 June 2023				
Beginning and end of financial period	222,051	(14,978)	27,559	(2,602)
31 December 2022				
Beginning of financial year	192,051	(14,978)	25,247	(2,602)
Issued during the year	30,000	-	2,312	-
End of financial year	222,051	(14,978)	27,559	(2,602)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividend as and when declared by the Company.

On 3 June 2022, the Company completed the issuance of 30,000,000 fully paid ordinary shares of \$0.082 per share pursuant to a share placement exercise. Share issue expenses incurred were \$147,600. The newly issued shares rank pari passu in all aspects with the previously issued shares.

OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C

SHARE CAPITAL AND TREASURY SHARES

Details of any changes in the company's share capital arising from rights issue, bonus issue, 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

	Issued and paid-up ordinary shares	Share capital \$'000
Balance as at 31 December 2022 and 30 June 2023	<u>207,072,685</u>	<u>27,559</u>

	Number of treasury shares	Number of shares outstanding	Percentage of the aggregate number of treasury shares held against the total number of shares outstanding
As at 31 December 2022 and 30 June 2023	<u>14,978,000</u>	<u>207,072,685</u>	<u>7.23%</u>

There were no outstanding convertibles or subsidiary holdings as at 31 December 2022 and 30 June 2023.

1(a) 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

Total number of issued shares excluding treasury shares as at 30 June 2023 and 31 December 2022 was 207,072,685.

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

There was no sale, transfer, cancellation and/or use of treasury shares for the financial period ended 30 June 2023.

OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)

SHARE CAPITAL AND TREASURY SHARES (CONTINUED)

- 1(c) 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. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

AUDIT or REVIEW

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

The figures have not been audited or reviewed by external auditors.

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

Not applicable.

- 3. 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.**

Not applicable.

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

Not applicable.

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

Not applicable.

ACCOUNTING POLICIES

- 1. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the condensed interim financial statements for the current financial period compared with those used in the audited financial statements for the financial year ended 31 December 2022.

- 2. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)

REVIEW OF GROUP PERFORMANCE

Income Statement

Revenue increased by 42% from \$0.24 million in 1 half year ("HY") 2022 to \$0.34 million in 1HY2023. The increase was primarily due to increase in revenue from hostel guests due to opening of border from 1 April 2022. Hence the Group turned from gross loss of \$0.02 million in 1HY2022 to gross profit of \$0.06 million in 1HY2023.

Other income in 1HY2023 and 1HY2022 consist mainly other government grant.

Other credits decreased by \$42,000 from \$51,000 in 1HY2022 to \$9,000 in 1HY2023. The other credits in 1HY2023 consist only fair value gain on investment property of \$9,000. The other credits in 1HY2022 consists of (i) gain on disposal of property classified as held-for sale of \$11,000, (ii) gain on disposal of investment property of \$15,000 (iii) write off of other payables of \$14,000 (iv) currency exchange loss of \$22,000 and (v) fair value gain on investment property of \$33,000.

Administrative expenses decreased by \$0.18 million, from \$0.96 million in 1HY2022 to \$0.78 million in 1HY2023, mainly due to (i) \$0.10 million for professional fees in relation to the proposed acquisition of BINEX (Singapore) Pte. Ltd. incurred in 1HY2022 (1HY2023: \$Nil) and (ii) \$0.01 million for professional fees in relation to review of shares placement documents in 1HY2022 (1HY2023: \$Nil).

Finance costs relates to interest on lease liabilities.

Other charges of \$0.02 million in 1HY2023 consist currency exchange loss while the currency exchange loss in 1HY2022 of \$0.02million was presented under other credits.

As a result of the above, the Group recognised a net loss before tax of \$0.73 million in 1HY2023, as compared to \$0.92 million in 1HY2022. The Group posted a loss attributable to equity holders of the Company of \$0.73 million in 1HY2023, as compared to \$0.91 million in 1HY2022.

OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)

REVIEW OF GROUP PERFORMANCE (continued)

Financial Position

Current Assets

The Group's current assets decreased by \$0.74 million to \$1.86 million as at 30 June 2023, from \$2.60 million as at 31 December 2022. The Group's current assets as at 30 June 2023 comprised trade and other receivables of \$0.06 million, other current assets of \$1.07 million and cash and cash equivalents of \$0.73 million.

Trade and other receivables amounted to \$0.06 million (31 December 2022: \$0.07 million) as at 30 June 2023. The amount consists of (i) Goods and Service Tax Receivables of \$0.02 million (31 December 2022: \$0.03 million) (ii) Receivables from hostel guests of \$ 0.02 million as at 30 June 2023 and 31 December 2022 (iii) Receivables for Real Property Gains Tax of \$ 0.02 million as at 30 June 2023 and 31 December 2022.

Other current assets decreased from \$1.09 million as at 31 December 2022 to \$1.07 million as at 30 June 2023 due to refund of other deposits of \$0.02 million.

Cash and cash equivalents decreased by \$0.71 million, from \$1.44 million as at 31 December 2022 to \$0.73 million as at 30 June 2023. The fluctuation was mainly caused by cash outflows to fund the operating activities of the Group of approximately \$0.58 million and cash outflows for repayment of lease liabilities \$0.11 million. Please refer to the section on "Consolidated Statement of Cash Flows" below for the reasons on the decrease in cash and cash equivalents.

Non-current Assets

The Group's non-current assets decreased by \$0.10 million to \$1.12 million as at 30 June 2023, from \$1.22 million as at 31 December 2022. The Group's non-current assets as at 30 June 2023 comprised plant and equipment of \$0.03 million and investment properties of \$1.09 million.

Plant and equipment decreased by \$0.11 million from \$0.14 million as at 31 December 2022 to \$0.03 million as at 30 June 2023 caused by depreciation recognised in the period of \$0.11 million.

Investment properties increased by \$0.01 million from \$1.08 million as at 31 December 2022 to \$1.09 million as at 30 June 2023 mainly due to fair value gain of \$0.01 million arising from revaluation of property located in North Dakota, United States.

OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)

REVIEW OF GROUP PERFORMANCE (continued)

Financial Position (continued)

Current Liabilities

The Group's current liabilities decreased by \$0.11 million, from \$0.51 million as at 31 December 2022 to \$0.40 million as at 30 June 2023. The Group's current liabilities as at 30 June 2023 comprised mainly trade and other payables of \$0.38 million and borrowings of \$0.02 million.

Trade and other payables remained same at \$0.38 million as at 31 December 2022 and 30 June 2023, which mainly consist of accruals of fees payables to directors, auditors and unutilised leave.

Current borrowings decreased from \$0.13 million as at 31 December 2022 to \$0.02 million as at 30 June 2023 due to the repayment of lease liabilities of 0.11 million during the financial period.

The Group reported a positive working capital approximately of \$1.46 million as at 30 June 2023.

Equity

Total equity decreased by \$0.73 million, from approximately \$3.31 million as at 31 December 2022 to \$2.58 million as at 30 June 2023, as a result of net loss incurred in 1HY2023 of \$0.73 million.

Consolidated Statement of Cash Flows

Net cash outflows for operating activities for 1HY2023 amounted to \$0.58 million, mainly due to cash used in operating activities of \$0.60 million and net cash inflows arising from working capital changes of \$0.02 million.

Net cash outflows from investing activities for 1HY2023 amounted to \$2,000 due to purchase of plant and equipment.

Net cash outflows from financing activities of \$0.11 million in 1HY2023 was mainly due to repayment of the lease liability of \$0.11 million.

As a result of the above, the Group had cash and cash equivalents of \$0.73 million as at 30 June 2023, representing a decrease of \$0.71 million as compared to \$1.44 million at 31 December 2022.

OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)

FORECAST

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

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

PROSPECT

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 Board of Directors remain cautious for year ahead due to challenges arising from uncertain economic conditions and financial environment, will continue to stay lean and maintain sufficient cash flow to navigate through the crisis.

Notwithstanding a loss attributable to shareholders, the Group will maintain sufficient cashflows and will continue to exercise prudence in our cashflow management.

The Group will continues exploring future business opportunities which can enhance shareholders value.

DIVIDEND

1. Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared for the current financial period.

2. Corresponding Period of the Immediately Preceding Financial Year

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

No dividend was declared for the previous financial year.

3. Date payable

Not applicable.

4. Books closure date

Not applicable.

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

No dividend has been declared/recommended for the current financial period in view that the Company was loss making.

OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)

INTERESTED PARTIES TRANSACTIONS

If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.,

The Group has not obtained an IPT general mandate from the Company's shareholders. There was no interested person transaction exceeding \$100,000 entered into during financial period.

CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS

The Company confirms that it has procured all the required undertakings under Rule 720(1) of the Catalist Rules from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705 (5) OF THE LISTING MANUAL

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and Company for the six-month ended 30 June 2023 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Cheong Weixiong
Executive Director
10 August 2023

Li Anhua
Non-Executive Chairman

This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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