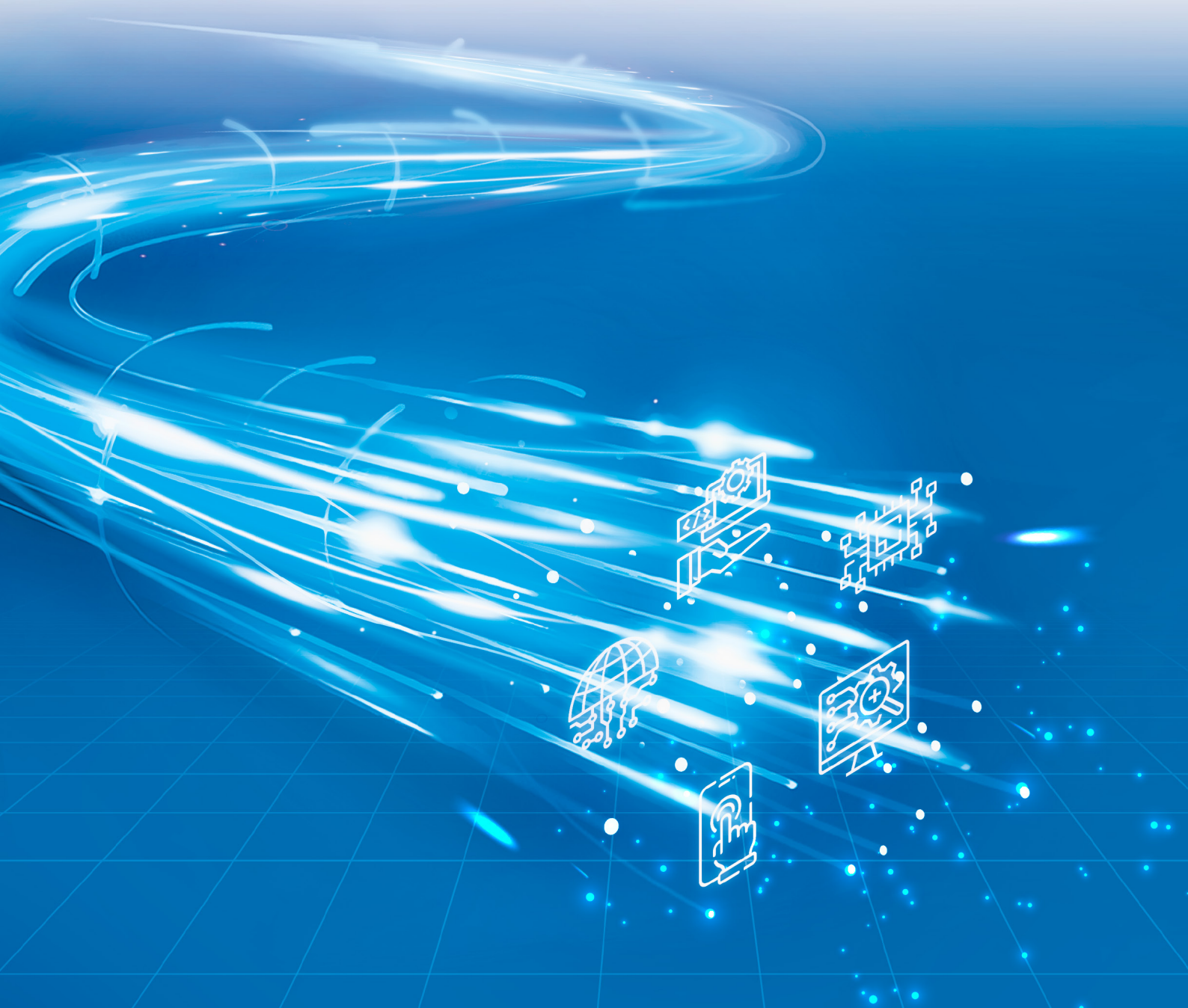




Charting New Frontiers

Annual Report 2022



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Annual Report 2022

SPONSOR STATEMENT

This annual report has been prepared by Revez Corporation Ltd. (the “Company”) and its contents have been reviewed by the Company’s sponsor, UOB Kay Hian Private Limited (the “Sponsor”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President at 8 Anthony Road, #01-01 Singapore 229957, telephone (65) 6590 6881

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WHO ARE WE?

REVEZ Corporation Ltd. is a CreativeTech group incorporating innovators, technologists and creative capabilities to drive enterprise and consumer value across its IT segments. Since its incorporation, the group has worked with more than 100 clients in the private and public sectors on over 500 projects regionally. REVEZ Corporation Ltd continues to shape the digital future with scalable tech adoption, enabling strategic partners to build a robust digital ecosystem and stay ahead of evolving trends.

OUR VISION

To be an enabler of growth that
shapes the digital future globally
through technological innovations
and digital creativity

OUR MISSION

We seek to empower enterprises,
reinvent industries and transform
experiences with our operational
and technological excellence,
powered by robust CreativeTech
innovations.

OUR SUBSIDIARIES



REVEZ MOTION PTE. LTD.

- Meta Experience
- Info-Tech
- Cybersecurity

REVEZ Motion is known for its industry-leading innovations and projects in the immersive multimedia space. Awarded as the “Singapore’s Largest Provider of Customised Multimedia Solutions for Museums and Galleries” by Singapore Book of Records in 2018, REVEZ Motion is the creator of many engaging and technologically advanced projects, including the Coast-to-Coast (C2C) mobile app, National Parks Board’s first augmented reality (AR)-enabled mobile application and has also won the 5G-enabled virtual platform for Novel and Immersive Tourism, Heritage and Cultural Experience for National Heritage Board, under the Open Innovation Platform National Innovation challenge 2020, organised by Infocomm Media Development Authority.

This subsidiary leads the IT space with business process automation solutions, unified communications platforms and cybersecurity offerings to enhance business frameworks and enable efficient sharing of digital information across organization. Leveraging on its Meta Experience Inter-Division core capabilities, REVEZ Motion is able to value-add IT solutions with UI/UX best practices and content strategies.



PGK DIGITAL NETWORKS PTE. LTD.

- Digital Media Networks

PGK Digital Networks is a media owner and operator of innovative digital TV networks, out-of-home digital advertising networks, and digital sport and media networks.

Past project involvements include digital outdoor and public transportation advertising networks, digital advertising and interactive systems, digital media networks for stadiums, arenas and sport centres, and outdoor domes for events, concerts and exhibitions.

CHAIRMAN'S MESSAGE

Dear Shareholders,

The financial year ended 31 December 2022 has proven to be another eventful year with the Group making inroads to improving its standing as a leading CreativeTech group against a backdrop of concerning developments on a macro scale, alongside much welcomed progress in recovering from the global pandemic.

On the challenges front, the Russia-Ukraine war has dragged for more than a year with far-reaching implications for the global economy. We have seen trade disruptions, runaway inflation and surging interest rates that wreck further havoc on the businesses and livelihoods. Even more recently, there are rumblings of instability in the global banking sector which may lead to more deleterious effects.

These put a dampener on the progress made in the global recovery from the COVID-19 pandemic. Even in the face of virus permutations and new outbreaks, the rollout of vaccinations has effectively led to herd immunity which mitigated the effects of consecutive waves of infection. As a result, pandemic-related restrictions have been largely removed and border travel is almost as per its pre-pandemic state.

Closer to home, the reopening of the Singapore economy and relaxation of COVID-19 restrictions in 2022 has improved the Group's operating conditions and contributed to an improved top line for the financial period under review.

As the world further embraces digitalisation in various aspects such as business, education and transportation, the need for Technology ("Tech") only grows especially as the evolution of opportunities and challenges alike accelerates with the growing use of AI-linked tools. We

will leverage on our established expertise to maintain a forefront position and work alongside our customers into a Tech future.

On the domestic front, the outlook for the industry appears encouraging as Singapore is gearing to continuing to build upon its digital accomplishments and unlock new avenues of growth. One arena of rapidly growing interest is the field of artificial intelligence (AI). In October 2022, the Singapore government announce a S\$71.0 million investment to attract and develop talent in the field as well as open three new centres of innovation. These new centres will help small and medium-sized enterprises (SMEs) test new ideas in built environment advanced materials, urban agriculture, and beauty and personal care.¹

MR. LIM YEOW HUA

*Independent Director
Chairman of the Board*



¹<https://www.enterprisesg.gov.sg/media-centre/news/2022/october/singapore-to-invest--71m-to-attract--develop-ai-tech-talent>

CHAIRMAN'S MESSAGE

This investment is part of Singapore's long-term focus on AI as it aims to double the number of AI apprenticeships in the next five years. Singapore will also create a new National Research Foundation Fellowship for AI to attract top researchers who can in turn draw in and mentor emerging talent.²

Meanwhile across the border, Singapore has signed a Frameworks on Cooperation ("FoC") in Digital Economy with Malaysia to facilitate greater inter-operability and collaboration on digital economy issues and enhance cooperation with Malaysia beyond what is found in the E-Commerce Chapters of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP). This will help unlock new growth opportunities, benefiting both countries' businesses, workers, and communities. Furthermore, collaboration under the FoC could also potentially serve as a pathfinder for digital economy cooperation within ASEAN.³

In a nutshell, the Tech sector in Singapore is well-positioned to expand the frontiers of the industry at large and scale up its impact across the business landscape. In a report about Singapore's GDP growth, the Ministry of Trade and Industry Singapore reported that the information & communications sector had continued to grow in the fourth quarter of 2022 due to continued strong demand for IT and digital solutions.⁴ This and the abovementioned illustrate the rapidly growing importance of Tech and the impetus of which the nation is embracing and applying new breakthroughs to fundamentally change the way people work and live.

At REVEZ, we have the assets, expertise and drive to capitalise on these fast-evolving developments to deliver the next industry-leading solution and constantly explore opportunities to enhance the impact of our various offerings well through the coming financial year.

Apart from operational improvements, the Group has also undergone changes to our corporate structure. In January 2023, the Group completed a mandatory unconditional cash offer exercise. We intend to continue our status as a listed entity and will continue to review our overall strategy and explore avenues to optimise our financial position. This may include improving operational efficiency, and diversifying our business exposure and revenue stream through strategic investment and acquisition which are in the interest of the Group, as well as raising new funds from various sources to support the Group's operations and aforesaid initiatives for the future.

On that note, the Group is now looking to how we can continue to position ourselves as a pioneer of industry-leading progress and ultimately unlock sustainable value for our stakeholders. This task is something we can only achieve with the dedication and faith of our management, staff, customers, business partners and shareholders. We are thankful for your support and look forward to the journey ahead with you.

I would also like to take the opportunity to thank the outgoing board members for their efforts in guiding the Group thus far, while welcoming aboard the new board members. I look forward to working closely with my fellow board members and the REVEZ team to chart the best course forward for the coming financial year.

MR. LIM YEOW HUA

*Independent Director
Chairman of the Board*

²<https://www.enterprisesg.gov.sg/media-centre/news/2022/october/singapore-to-invest--71m-to-attract--develop-ai-tech-talent>

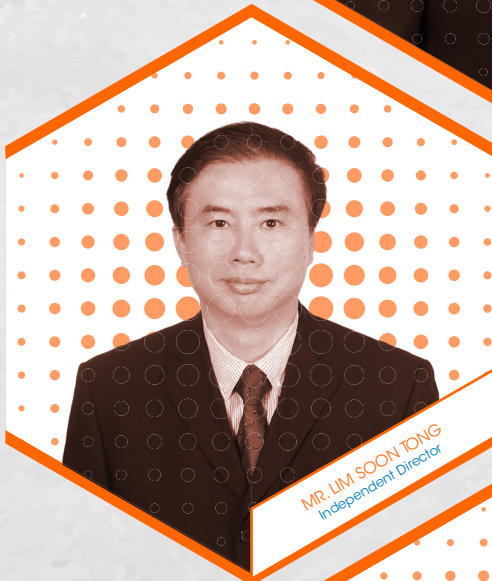
³<https://www.mti.gov.sg/-/media/MTI/Newsroom/Press-Releases/2023/01/MTI-Factsheet---Frameworks-of-Cooperation-in-Green-and-Digital-Economy.pdf>

⁴https://www.mti.gov.sg/-/media/MTI/Resources/Economic-Survey-of-Singapore/2022/Economic-Survey-of-Singapore-2022/PR_AES2022.pdf

BOARD OF DIRECTORS AND KEY MANAGEMENT



MR. LIM YEOW HUA
Board Chairman and
Independent Director



MR. LIM SOON TONG
Independent Director



MR. TAN KIM SWEE BERNARD
Non-Executive Director



MS. JENNIFER ZHANG DAN
Executive Director and Group
Financial Controller

BOARD OF DIRECTORS AND KEY MANAGEMENT

MR. LIM YEOW HUA

Board Chairman and Independent Director

Mr. Lim Yeow Hua is the Board Chairman and Independent Director of REVEZ Corporation Ltd.

Mr. Lim Yeow Hua @ Lim You Qin ("Mr. Lim") was appointed to the Board as Independent Director on 30 January 2023. Mr. Lim is a chartered accountant and accredited tax advisor (Income Tax and Goods and Services Tax). He has more than 30 years of experience in the accounting, tax, financial services and investment banking industries.

Mr. Lim currently sits on the boards as independent director and audit committee chairman of a number of companies listed on SGX-ST being Accrelist Limited, KSH Holdings Limited and NauticAWT Limited. He is also an independent director of Oxley Holdings Limited. Mr. Lim is a Fellow Member of the Institute of Singapore Chartered Accountants and an Accredited Tax Advisor (Income Tax and Goods and Services Tax) of the Singapore Chartered Tax Professionals.

Mr. Lim graduated with a Bachelor of Accountancy degree and obtained a Masters of Business Administration degree from the National University of Singapore in 1986 and 1992 respectively.

MR. LIM SOON TONG

Independent Director

Mr. Lim Soon Tong is the Independent Director of REVEZ Corporation Ltd.

Mr. Lim Soon Tong ("Mr. Lim") was appointed to the Board as Independent Director on 30 January 2023.

Mr. Lim is a business leader with 25 years of managerial experience and a proven track record in synergizing & transforming businesses with people & technology. Mr Lim was not only Asia Heads for Operations and Supply Chain in US, EU and JP MNCs but was also listed as World-wide Supply Chain Expert in one of world's top 5 consultancy firms. Mr Lim was also a lecturer in tertiary education for 5 years, imparting his experience in operations innovation, productive compliance, and business performance management.

Mr. Lim graduated with a Bachelor of Engineering degree in EEE from National University of Singapore in 1989 and obtained a Master of Business Administration degree in Accountancy from the Nanyang Technological University in 1998.

MR. TAN KIM SWEE BERNARD

Non-Executive Director

Mr. Tan Kim Swee Bernard is a Non-Executive Director of REVEZ Corporation Ltd.

Mr. Tan Kim Swee Bernard ("Mr. Tan") was appointed to the Board as Non-Executive Director on 30 January 2023. Mr. Tan is the managing director and founder of Quadrant Law LLC. He has been practising corporate and commercial law since 2001. With 22 years of experience in the industry, his areas of practice include mergers and acquisitions, funds, securities and token offerings, corporate finance, corporate transactions, banking and private lending, exits from companies, employment, intellectual property, and commercial real estate and leases, licensing and compliance and sales of goods and services and distribution agreements. He regularly advises MNCs, listed companies, start-ups, SMEs and government agencies as well as international law firms.

Mr. Tan graduated from the National University of Singapore in 2000 with a Bachelor of Laws (Honours) (LLB).

MS. JENNIFER ZHANG DAN

Executive Director and Group Financial Controller

Ms. Jennifer Zhang Dan is the Executive Director and Group Financial Controller of REVEZ Corporation Ltd.

Ms. Jennifer Zhang Dan ("Ms. Jennifer") joined the Company in December 2022 as Group Financial Controller and was appointed to the Board as Executive Director on 30 January 2023. She is primarily responsible for all finance related areas of the Group, including finance, treasury, tax, and accounting functions of the Group. In addition, she supports the Board on all strategic and financial planning matters in relation to the Group's business and corporate development. She has more than 15 years of experience spanning audit, financial accounting, treasury, and taxation, having worked in various listed and private companies in Singapore.

Ms. Jennifer obtained a Master of Science degree in Professional Accountancy from the University of London and a Bachelor of Science degree in Applied Accounting from Oxford Brooks University. She is a Fellow Member of the Association of Chartered Certified Accountants and a Chartered Accountant of the Institute of Singapore Chartered Accountants.

GROUP STRUCTURE



¹ AIAC Pte. Ltd., 55% owned subsidiary of Revez Corporation Ltd., has been disposed on 4 July 2022.

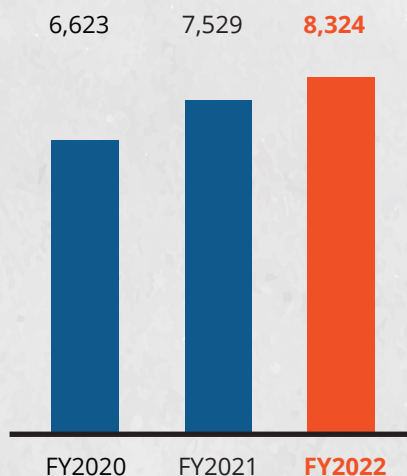
² Revez International Pte Ltd., 100% owned subsidiary of Revez Corporation Ltd., has applied to be struck off during the financial year.

³ IOIO Lab Pte. Ltd., 80% owned subsidiary of Revez Corporation Ltd., has applied to be struck off during the financial year.

FINANCIAL HIGHLIGHTS

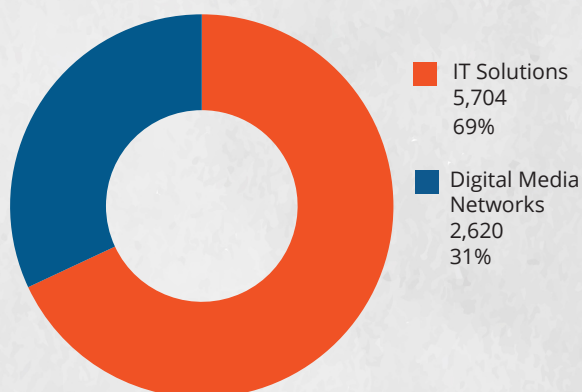
REVENUE

(S\$'000)



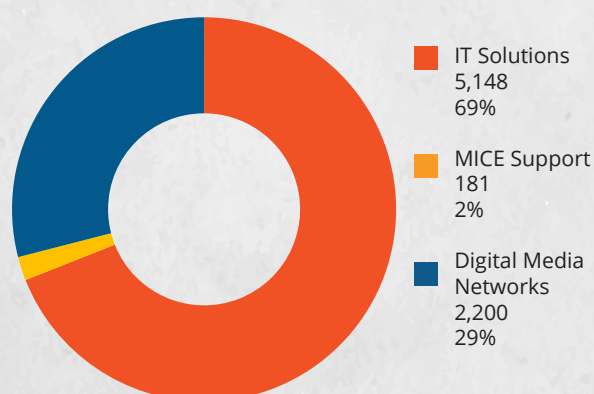
FY2022 REVENUE BY SEGMENT

(S\$'000)



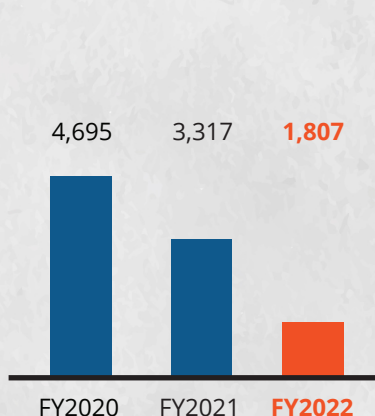
FY2021 REVENUE BY SEGMENT

(S\$'000)



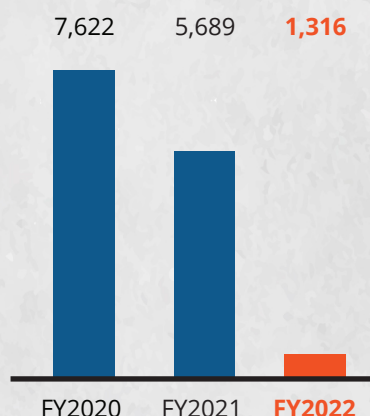
CASH AND BANK BALANCES

(S\$'000)



EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

(S\$'000)



FINANCIAL AND OPERATIONS REVIEW

The reopening of the Singapore economy and the relaxation of Covid-19 restriction in 2022 has improved the Group's operating conditions. As a result, the Group's revenue increased by approximately S\$795,000 or 11% to S\$8,324,000 in FY2022 compared to S\$7,529,000 in FY2021.

Other income decreased by approximately S\$554,000 or 37% from S\$1,485,000 in FY2021 to S\$931,000 in FY2022. The Group's other income in FY2022 mainly consists of the gain on disposal of investment property of S\$535,000 and government grants of S\$193,000. Comparatively, the Group's other income in FY2021 primarily consists of the fair value gain on contingent consideration payable of S\$1,027,000 and government grants of S\$388,000.

Material costs and changes in inventories increased by approximately S\$374,000 or 13% from S\$2,882,000 in FY2021 to S\$3,256,000 in FY2022, which was in line with the increase in revenue.

Salaries and employees' benefits declined by approximately S\$907,000 or 19% from approximately S\$4,678,000 in FY2021 to S\$3,771,000 in FY2022. The decrease was mainly attributable to lower headcounts.

Depreciation increased by approximately S\$390,000 or 51% from S\$770,000 in FY2021 to S\$1,160,000 in FY2022, mainly due to depreciation of media equipment acquired for the expansion of digital media network segment during the financial year.

The Group has recognised an impairment loss of S\$1,337,000 on certain plant and equipment following an assessment of future net cash flows from those plant and equipment based on existing contracts at the reporting date.

Goodwill acquired through the business combination is allocated entirely to the Digital Media Networks cash-generating unit ("DMN CGU") under the digital media network segment for impairment test. Management assessed that initial factors contributing to the goodwill no longer exist, and hence the continued carrying of the goodwill relating to the DMN CGU is no longer tenable, and the Group recognised an impairment loss of S\$1,667,000 at the reporting date.

Intangible assets arose from the acquisition of PGK Digital Networks Pte Ltd ("PGK"). Similar to the goodwill assessment, it was determined that the initial factors contributing to the intangible assets no longer exist, and hence continued carrying of such intangible assets is no longer tenable, and the Group recognised an impairment loss of S\$361,000 at the reporting date.

Other operating expenses increased by approximately S\$675,000 or 70% from S\$962,000 in FY2021 to S\$1,637,000 in FY2022. The increases were mainly

attributable to (i) legal and professional fees incurred (ii) consultancy fees for technical support; and (iii) business development in overseas markets.

The Group's non-current assets stood at S\$1,409,000 as at 31 December 2022, compared to S\$5,667,000 as at 31 December 2021. The decrease in non-current assets of S\$4,258,000 was mainly due to (i) property, plant and equipment ("PPE") decreased by approximately S\$2,099,000 due to impairment loss on PPE and depreciation of PPE; (ii) decrease in goodwill due to an impairment loss of S\$1,667,000 was recognised; and (iii) decrease in intangible assets due to an impairment loss of S\$361,000 was recognised.

The current assets decrease approximately by S\$965,000 year-on-year from S\$5,871,000 as at 31 December 2021 to S\$4,906,000 as at 31 December 2022. This was mainly attributable to (i) the decrease in cash and cash equivalent of S\$1,510,000 mainly due to the repayment of bank loans and payment of lease liabilities; and (ii) the decrease in inventories of S\$132,000, resulting from the disposal of AIAC. However, these were offset by the increase in trade and other receivables of S\$667,000 and contract assets of S\$626,000.

The current liabilities increased by approximately S\$459,000 from S\$3,527,000 as at 31 December 2021 to S\$3,986,000 as at 31 December 2022. The current liabilities increased as a result of the increase in trade and other payables of S\$1,053,000, mainly due to accrual of operating expenses and IT products costs raised from cybersecurity contracts, which were offset by the decrease in loans and borrowings of S\$600,000, due to repayments of bank loans during the current financial year.

The decrease of S\$915,000 in non-current liabilities was mainly due to the repayment of bank borrowings during the current financial year.

The Group recorded net cash flows used in operating activities of S\$656,000 for FY2022. This was mainly due to (i) operating losses incurred during the financial year, and (ii) the increase in receivables and contract assets, offset by (iii) the increase in payables and contract liabilities.

The Group's net cash generated from investing activities was S\$630,000 in FY2022. This was mainly due to the proceeds from the disposal of investment property of S\$1,150,000, partially offset by the purchase of property, plant and equipment of S\$609,000.

The net cash flow used in financing activities was S\$1,485,000 in FY2022. This was mainly attributable to the repayment of bank borrowings of S\$1,083,000, and the repayment of lease liabilities of S\$282,000 during the current financial year.

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CORPORATE GOVERNANCE REPORT

The board (the “**Board**”) of directors (the “**Directors**”) of Revez Corporation Ltd. (the “**Company**” and, together with its subsidiaries, the “**Group**”) is committed to ensuring a high standard of corporate governance so as to strengthen corporate transparency, to protect the interest of shareholders of the Company (the “**Shareholders**”) and to promote investor confidence.

This report (the “**Report**”) describes the corporate governance structures currently in place with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) and accompanying Practice Guidance issued in August 2018 and, where applicable, the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual, Section B: Rules of Catalyst (the “**Catalist Rules**”).

The Board is pleased to report on the Group’s compliance with the principles and provisions as set out in the Code. Such compliance is regularly reviewed to ensure transparency and accountability. Where there are deviations from the Code, appropriate explanations have been provided.

A. BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

As at the date of this Report, the Board comprises the following four (4) members*, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Mr Lim Yeow Hua	Chairman and Independent, Non-Executive Director
Mr Lim Soon Tong	Independent, Non-Executive Director
Mr Tan Kim Swee Bernard	Non-Independent, Non-Executive Director
Ms Jennifer Zhang Dan	Executive Director and Group Financial Controller

* Board members appointed on 30 January 2023

The primary functions of the Board, in addition to carrying out its statutory responsibilities, inter alia, are as follows:

- To oversee and approve the formulation of the Group’s overall long-term strategic objectives and directions, corporate strategy and objectives as well as business plans, taking into consideration sustainability issues;
- To oversee and review the management of the Group’s business affairs and financial controls, performance and resource allocation, including ensuring that the required financial and human resources are available for the Group to meet its objectives;
- To establish a framework of prudent and effective controls to assess and manage risks and safeguard shareholders’ interests and the Group’s assets;
- To set the Group’s values and standards and ensure that obligations to shareholders and other stakeholders are understood and met;
- To approve the release of the Group’s half-year and full-year financial results and related party transactions of a material nature; and
- To assume the responsibilities for corporate governance.

Every Director is expected, in the course of carrying out his/her duties, to act in good faith to provide insights and objectively take decisions in the interest of the Company. Any Director facing a conflict of interest will recuse himself/herself from discussions and decisions involving the issue of conflict.

CORPORATE GOVERNANCE REPORT

The Company has a policy for new incoming Directors to be briefed on the Group's business, strategies, operations and organisation structure and governance practices to enable them to assimilate into their new roles. The new incoming Directors are also welcome to request further explanations, briefings or informal discussions on any aspects of the Group's operational or business issues from Management.

Directors may request to visit the Group's operating facilities and meet with the Group's Management to gain a better understanding of the Group's business operations and corporate governance practices. A formal letter of appointment is furnished to every newly appointed Director upon their appointment explaining among others, the roles, obligations, duties and responsibilities as a member of the Board. The Group has adopted internal guidelines governing matters that require Board's approval. These include:

- Annual budgets/forecasts;
- Strategies of the Group;
- Corporate or financial restructuring;
- Announcement of Group's half-year and full-year results including release of annual reports;
- Issuance of shares;
- Major investment and divestments;
- Interested person transactions; and
- Any other matters as prescribed under the relevant legislations and regulations, as well as the provisions of the Company's Constitution.

To assist in the execution of its responsibilities, the Board has established three board committees (the “**Board Committees**”) comprising an Audit and Risk Committee (the “**ARC**”), a Nominating Committee (the “**NC**”) and a Remuneration Committee (the “**RC**”). These Board Committees function within clearly defined written terms of reference setting out their compositions, authorities and duties including reporting back to the Board. The Board acknowledges that while these Board Committees have the authority to examine particular issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies with the Board. The terms of reference for the ARC, the NC and the RC are set out on pages 18 to 27 of this Annual Report.

The schedule for Board and Board Committees meetings as well as the annual general meetings (“**AGM**”) of the Company are planned in advance. The Board decides on matters that require its approval and clearly communicates this to Management in writing. The Board meets regularly on a half-yearly basis and ad-hoc Board Committee or Board meetings are convened when they are deemed necessary. In between Board meetings, other important matters will be tabled for the Board's approval by way of circulating resolutions in writing.

The attendance of the Directors at scheduled Board and Board Committees as well as the frequency of such meetings held in FY2022 are set out below.

CORPORATE GOVERNANCE REPORT

Board Meetings and Attendance

Name of Directors	Board Meetings	ARC Meetings	NC Meetings	RC Meetings
Number of meetings held	2	2	1	1
Mr Koh Choon Hui ⁽¹⁾	2	2	1	1
Mr Neo Wee Han Victor ⁽²⁾	2	2	1	1
Mr Lim Kian Sing ⁽³⁾	2	1	–	–
Mr Chang Yew Kong ⁽⁴⁾	2	2	1	1
Mr Tan Chade Phang ⁽⁵⁾	2	2	1	1

(1) Mr Koh Choon Hui resigned as Independent Director on 13 February 2023.

(2) Mr Neo Wee Han Victor resigned as Group Chief Executive Officer (“CEO”) on 30 January 2023 and resigned as Executive Director on 21 March 2023.

(3) Mr Lim Kian Sing resigned as Executive Director and Group Chief Operating Officer on 13 February 2023.

(4) Mr Chang Yew Kong resigned as Independent Director on 21 January 2023.

(5) Mr Tan Chade Phang resigned as Independent Director on 21 March 2023.

The Directors are also encouraged to keep themselves abreast of the latest developments relevant to the Group and attendance of appropriate courses and seminars will be arranged and funded by the Company. The external auditor (the “EA”), during their presentation of the audit plan, will update the Directors on the new or revised financial reporting standards on an annual basis.

Mr Lim Yeow Hua has completed the sustainability training in FY2022. All Directors (save for Mr Lim Yeow Hua) who are newly appointed on 30 January 2023 will complete the requisite trainings within 1 year from their appointment date.

The Management recognises that the flow of relevant, complete and accurate information on a timely basis is critical for the Board to discharge its duties effectively. The Management provides the Board with half-yearly management accounts, as well as relevant background or explanatory information relating to the matters that would be discussed at the Board meetings, prior to the scheduled meetings. All Directors are also furnished with updates on the financial position and any material developments of the Group as and when necessary.

The Board has separate and independent access to the company secretary (the “Company Secretary”), the EA, internal auditors (the “IA”) and the Management at all times. The Board will have independent access to professional advice when required at the Company’s expense.

The Company Secretary or her representatives attends all meetings of the Board and Board Committees and ensures that the Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretary is responsible for, among others, ensuring that Board procedures are observed and that the Constitution and relevant rules and regulations, including the Catalist Rules, are complied with.

Under the direction of the Chairman, the Company Secretary facilitates information flow within the Board and its Board Committees and between the Management and Independent Directors. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

CORPORATE GOVERNANCE REPORT

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

As at the date of this Report, the Board comprises two (2) Independent Directors, one (1) Executive Director and one (1) Non-Independent, Non-Executive Director. The Board Chairman, Mr Lim Yeow Hua, is an Independent Director of the Company and the Board comprises majority of Non-Executive Directors. The Board and the NC are currently in the process of finding a suitable candidate to be an Independent Director, to fill the vacancy recently created by the resignation of Mr Tan Chade Phang. The current composition of the Board, including dates of initial appointment and last re-appointment of Directors are set out below:

Name of Director	Appointment	Date of Initial Appointment	Date of Last Re-Appointment*	ARC	NC	RC
Mr Lim Yeow Hua	Chairman; Independent and Non-Executive Director	30.01.2023	NA	Chairman	Chairman	Member
Mr Lim Soon Tong	Independent and Non-Executive Director	30.01.2023	NA	Member	Member	Chairman
Mr Tan Kim Swee Bernard	Non-Independent, Non-Executive Director	30.01.2023	NA	—	—	—
Ms Jennifer Zhang Dan	Executive Director	30.01.2023	NA	—	—	—

* The abovenamed Directors will be subject to re-appointment at the Company's forthcoming AGM.

The independence of each Director is reviewed annually by the NC and the Board. Each Independent Director is required to complete a Director's Independence Checklist annually to confirm his or her independence based on the guidelines as set out in the Code and the Catalist Rules. The NC adopts the Code's definition and the Catalist Rules of what constitutes an "independent" director in its review. The NC takes into account, among other things, whether a Director has business relationships with the Company, its related corporations, its substantial shareholders or its officers, and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group provides an appropriate balance of diversity of skills, experience, gender, age and knowledge of the Company, with core competencies in accounting and finance, business and management experience and requisite industry knowledge. Each Director has been appointed on the strength of his or her skills, knowledge and experience and is expected to contribute to the development of the Group's strategy and performance of its business. The NC is of the view that the current Board size should be increased to at least five (5) Directors, with the inclusion of an Independent Director. After which, the Board composition shall as a group possess core competencies and diversity necessary for the Board to lead and manage the Group effectively.

Where necessary or appropriate and at least once a year, the Independent Directors on the Board will meet amongst themselves and with the EA and IA without the presence of Management and the Non-Executive Director. The Independent Directors communicate regularly to discuss matters related to the Group, including the performance of the Management. The chairman of such meetings provides feedback to the Board where appropriate.

CORPORATE GOVERNANCE REPORT

At the recommendation of the NC, the Board has adopted a formal board diversity policy (“**Board Diversity Policy**”) to ensure diversity in respect of skills, industry experience and expertise, including gender, age, nationality, ethnicity and any other competencies deemed appropriate by the NC with regard to the Company’s Board composition. The Board recognises that a diverse Board will enhance the decision-making process of the Board as a whole, through the utilisation of the variety and diverse skills-set, expertise and experience of Board members.

The Board, supported by the NC, reviews the Board’s diversity, covering aspects ranging from skills, industry experience and expertise, background, gender, age, ethnicity, independence and any other competencies to ensure that the Board’s composition is of an appropriate balance of diversity in its composition. The Board is of the view that there is diversity in its current Board composition.

The NC and the Board shall be guided by the guidelines of the Board Diversity Policy in its current search for a suitable Independent Director candidature.

The NC is responsible for the administering and evaluation of the said policy at least once every two years, including assessing and evaluating the targets set for diversity in the said policy.

The profiles of our Directors are set out on pages 7 and 8 of this Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The functions of the Chairman and CEO are typically assumed by different individuals. The separation of roles ensures the appropriate balance of power and authority, and allowing for increased accountability and greater capacity for the Board to make independent decisions. In FY2022, the Group keeps the posts of the Chairman and CEO separate and they are not related family members.

The Chairman of the Board, Mr Lim Yeow Hua, who is an Independent Director, is responsible for ensuring:

- Board meetings are held as and when necessary to enable the Board to perform its duties responsibly, while not interfering with the flow of the Company’s operations;
- Agenda for Board meetings are prepared, with the assistance of the Company Secretary;
- Quality, quantity and timeliness of flow of information between the Management and the Board and the facilitation of effective contributions from the Independent Directors;
- Effective communication with shareholders and compliance with corporate governance best practices are in place; and
- Compliance is adhered to with the Company’s guidelines on corporate governance.

During FY2022, the former Group’s CEO, Mr Neo Wee Han Victor was responsible for:

- The day-to-day management of the business;
- Setting business directions and ensuring operating efficiency of the Group;
- Formulating and overseeing the execution of the Group’s corporate and business strategies set out by the Board; and
- Ensuring that the Directors are kept updated and informed of the Group’s business.

CORPORATE GOVERNANCE REPORT

The position of the CEO is vacant at present. Mr Neo Wee Han Victor resigned as Group CEO on 30 January 2023 and resigned as Executive Director on 21 March 2023. The Company is in the process of sourcing for a suitable candidate to fill the vacancy created and will keep shareholders apprised of any developments.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC is responsible for making recommendations on all board appointments and re-nominations, having regard to the contribution and performance of the Director seeking re-election.

As at the date of this Report, the NC comprises two (2) members, all of whom including the NC Chairman are independent:

Mr Lim Yeow Hua	Chairman
Mr Lim Soon Tong	Member

Following Mr Tan Chade Phang's resignation with effect from 21 March 2023, the NC does not meet the requirement of a minimum of three (3) members. As mentioned above, the Board and the NC are in the process of selection and appointment of a new Independent Director to ensure compliance with the Code and relevant Catalyst Rules.

The NC meets at least once a year, and at more frequency if warranted by circumstances, to discharge its duties and functions. For FY2022, the NC met once.

The NC functions under a set of written terms of reference which sets out its responsibilities as follows:

- a) To review and recommend candidates for appointments to our Board and Board Committee (excluding the appointment of existing members of our Board to a Board committee);
- b) To review and recommend the re-appointment or re-election of the Directors of the Company (including alternate directors, if applicable);
- c) To review the independence of the Independent Directors annually;
- d) To review and recommend Directors who are retiring by rotation to be put forward for re-election;
- e) To recommend to the Board the review of board succession plans for Directors, in particular, the Chairman, the CEO and key management personnel;
- f) To recommend the appointment of key management positions, review succession plans for key positions within the Group and oversee the development of key executives and talented executives within the Group;
- g) To review training and professional development programs for the Directors;
- h) To review whether a Director is adequately carrying out his duties as Director of the Company, including time and effort contributed to the Company, attendance at meetings of the Board and Board Committees, participation at meetings and contributions of constructive, analytical, independent and well-considered views, and taking into consideration the Director's number of listed company board representations and other principal commitments;

CORPORATE GOVERNANCE REPORT

- i) To evaluate the performance and effectiveness of the Board as a whole, and of each Board Committee separately. To decide on how the Board's, its Board Committees' and Directors' performance may be evaluated and propose objective performance criteria. Such performance criteria, that allow comparison with its industry peers, should be approved by the Board and address how the Board has enhanced long term shareholders' value; and
- j) To perform such other duties or functions as may be delegated by the Board or required by regulatory authorities.

The NC determines annually, and as and when circumstances require, whether a director is independent, taking into consideration the Code and Rules 406(3)(d)(i) to (iv) of the Catalist Rules:

- a) if he is independent in conduct, character and judgement;
- b) the disclosures by the Directors of any relationships with the Company or its related corporations, its substantial shareholders or its officers for the current or any of the past three (3) financial years, that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company;
- c) if he has an immediate family member who is employed or has been employed by the listing applicant or any of its related corporations for the current or any of the past three (3) financial years, and whose remuneration is determined by the RC of the Company;
- d) if he has been a director of the Company for an aggregate period of more than 9 years (whether before or after listing); and
- e) the Director's Independence Checklist completed by each Independent Director to confirm his or her independence. Such checklist is drawn up based on the guidelines provided in the Code and the Catalist Rules.

None of the Independent Directors have served on the Board beyond 9 years.

The NC had assessed the independence of each Independent Director (Mr Lim Yeow Hua and Mr Lim Soon Tong). The NC and the Board are of the view that all its Independent Directors have satisfied the criteria of independence. Each member of the NC had abstained from deliberations in respect of the assessment of his own independence.

There is a formal and transparent process for the appointment of new Directors to the Board. The NC reviews and recommends all new Board appointments and also the re-nomination and re-appointment of Directors to the Board. When the need for a new Director arises, or where it is considered that the Board would benefit from the services of a new Director with particular skills or to replace a retiring Director, the NC, in consultation with the Board, will determine the selection criteria and will select candidates with the appropriate expertise and experience for the position. In its search and nomination process for new Directors, the NC may rely on search companies, personal contacts and recommendations for the right candidates. The NC ensures that the newly appointed Directors are aware of their duties and obligations. The Board is also advised by the Sponsor on the appointment of Directors as required under Rule 226(2) (d) of the Catalist Rules.

Board appointments are made by the Board after the NC has, upon reviewing the resume of the proposed Director and conducting appropriate interviews, recommended the appointment to the Board. The NC is also in charge of re-nominating the Directors, having regard to their contribution and performance. Pursuant to Regulation 117 of the Company's Constitution, one-third of the Directors or the number nearest to but not less than one-third shall retire from office at the Company's AGM every year, provided that all Directors shall retire from office at least once every three years. The retiring Directors are eligible to offer themselves for re-election. In addition, Regulation 122 of the Company's Constitution also provides that new Directors appointed during the year either to fill a vacancy or as an addition to the Board are required to submit themselves for re-election at the next AGM.

CORPORATE GOVERNANCE REPORT

The Directors who are retiring and seeking re-election at the Company's forthcoming AGM are:

- (i) Mr Lim Yeow Hua (pursuant to Regulation 122 of the Constitution);
- (ii) Mr Lim Soon Tong (pursuant to Regulation 122 of the Constitution);
- (iii) Mr Tan Kim Swee Bernard (pursuant to Regulation 122 of the Constitution); and
- (iv) Ms Jennifer Zhang Dan (pursuant to Regulation 122 of the Constitution).

All Directors who are members of the NC had abstained from deliberation in respect of their own nomination. Detailed information as required under Rule 720(5) of the Catalist Rules can be found on pages 31 to 40 of this Annual Report.

Arising from the recent Board changes there are no Directors retiring by rotation in accordance with Regulation 117 of the Company's Constitution or Rule 720(4) of the Catalist Rules.

There is no alternate Director appointed on the Board.

When a Director has multiple board representations, the NC considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company. The NC and the Board are satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. The NC is of the view that the matter relating to multiple board representations should be left to the judgement of each Director given that time requirements for different board representations vary. As such, the NC and the Board have decided that there is no necessity to determine the maximum number of listed company board representations which a Director may hold.

Key information of each Director including their shareholdings in the Company, can be found on page 42 of this Annual Report.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board's performance is linked to the overall performance of the Group. The Board ensures that the Company is in compliance with the applicable laws, and members of our Board are required to act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

The NC is responsible for assessing the effectiveness of the Board as a whole, each Board Committee separately, and for assessing the contribution of the Chairman and each individual Director to the effectiveness of the Board. The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The NC assesses the Board's effectiveness as a whole by completing a Board Assessment Checklist, which takes into consideration factors such as the Board's structure, conduct of meetings, risk management and internal control, and the Board's relationship with the Management.

The NC also assesses the Board's performance based on a set of quantitative criteria and financial performance indicators as well as share price performance. The NC assesses the individual Directors' performance by completing an Individual Director Assessment Checklist, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors. The evaluation of individual Director aims to assess whether each Director continues to contribute effectively and demonstrate commitment to the role, including commitment of time for Board and Board Committee meetings, and any other duties.

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The NC, having reviewed the overall performance of the Board as a whole, and of each Board Committee separately, as well as the performance of each individual Director, is satisfied with the performance of the Board, each Board Committee and each individual Director for the period under review. The NC and the Board, having reviewed the overall performance of each individual Director, is satisfied with the performance of each individual Director for the period under review.

The performance criteria will not change from year to year unless deemed necessary and the Board is able to justify the changes.

The Board has not engaged any external facilitator in conducting the assessment of the performance of the Board, the Board Committees and each Director. Where relevant, the NC will consider such engagement.

B. REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC makes recommendations to the Board on the framework of remuneration, and the specific remuneration packages for each Director.

As at the date of this Report, the RC comprises of two (2) members, all of whom including the Chairman, are independent.

Mr Lim Soon Tong	Chairman
Mr Lim Yeow Hua	Member

Following Mr Tan Chade Phang's resignation with effect from 21 March 2023, the RC does not meet the requirement of a minimum of three (3) members. As mentioned above, the Board and NC are in the process of selection and appointment of a new Independent Director to ensure compliance with the Code and relevant Catalist Rules.

The RC meets at least once a year, and at more frequency if warranted by circumstances, to discharge its duties and functions. For FY2022, the RC met once.

The RC functions under a set of written terms of reference which sets out its responsibilities as follows:

- a) To review and approve the policy for determining the remuneration of executives of the Group including that of the Executive Directors, CEO and other key management personnel;
- b) To review the on-going appropriateness and relevance of the remuneration policy and other benefit programs for its key management personnel;
- c) To consider, review and approve and/or vary (if necessary) the entire specific remuneration package and service contract terms for each Director and key management personnel (including salaries, allowances, bonuses, payments, options, benefits in kind, retirement rights, severance packages and service contracts) having regard to the executive remuneration policy for each of the Group companies;
- d) To review the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;

CORPORATE GOVERNANCE REPORT

- e) To consider and approve termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments to each member of key management personnel;
- f) To determine, review and approve the design of all option plans, stock plans and/or other equity based plans that the Group proposes to implement, to determine each year whether awards will be made under such plans, to review and approve each award as well as the total proposed awards under each plan in accordance with the rules governing each plan and to review, approve and keep under review performance hurdles and/or fulfilment of performance hurdles under such plans;
- g) To approve the remuneration framework (including Directors' fees) for the Non-Executive Directors on the relevant boards of directors within the Group; and
- h) To review the remuneration of employees who are related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guideline and commensurate with their respective job scopes and level of responsibilities.

The RC has access to expert advice regarding executive compensation matters, if required. The Board did not engage any external remuneration consultant to advise on remuneration matters for FY2022.

The RC's recommendations will be submitted for endorsement by the Board. No Director is involved in deciding his or her own remuneration.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

In setting remuneration packages, the Group takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors and key management personnel. The remuneration package is designed to allow the Company to better align the interests of the Executive Directors and key management personnel with those of shareholders and link rewards to corporate and individual performance. The Group also ensures that the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Group for the long term.

The Independent and Non-Executive Directors receive Directors' fees for their effort and time spent, responsibilities and contribution to the Board, subject to shareholders' approval at AGM. The Independent and Non-Executive Directors are not over-compensated to the extent that their independence may be compromised. Remuneration for the Executive Directors comprises a basic salary component payable by equal monthly instalments every month and an annual variable performance bonus.

The Company has entered into fixed-term service agreements with Ms Jennifer Zhang Dan, Executive Director and Group Financial Controller. The service agreements for Executive Directors are automatically renewed on a year-to-year basis on the same terms or otherwise on such terms and conditions as the parties may agree in writing. During the year, Mr Lim Kian Sing and Mr Neo Wee Han Victor had resigned as Executive Directors of the Company on 13 February 2023 and 21 March 2023 respectively.

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DISCLOSURE ON REMUNERATION

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The breakdown (in percentage terms) of remuneration of the Directors of the Company for FY2022 are as follows:

Name of Directors	Directors' Fees (%)	Salary (%)	Variable Bonus (%)	Allowances and other benefits (%)	Total (%)
Below S\$250,000					
Mr Chang Yew Kong ⁽¹⁾	100	—	—	—	100
Mr Koh Choon Hui ⁽²⁾	100	—	—	—	100
Mr Lim Kian Sing ⁽³⁾	—	97.66	—	2.34	100
Mr Neo Wee Han Victor ⁽⁴⁾	—	84.27	14.04	1.69	100
Mr Tan Chade Phang ⁽⁵⁾	100	—	—	—	100

(1) Mr Chang Yew Kong resigned as Independent Director on 21 January 2023.

(2) Mr Koh Choon Hui resigned as Independent Director on 13 February 2023.

(3) Mr Lim Kian Sing resigned as Executive Director and Group Chief Operating Officer on 13 February 2023.

(4) Mr Neo Wee Han Victor resigned as Group CEO on 30 January 2023 and resigned as Executive Director on 21 March 2023.

(5) Mr Tan Chade Phang resigned as Independent Director on 21 March 2023.

A breakdown of the remuneration bands payable to the Group's key management personnel (who are not Directors or CEO) is as follows for FY2022:

Name of Key Management Personnel	Salary/Fixed Bonus (%)	Variable Bonus (%)	Allowances and other benefits (%)	Total (%)
Below S\$250,000				
Leo Deng Hao ⁽¹⁾	100	-	-	100
Jennifer Zhang Dan ⁽²⁾	100	-	-	100

(1) Mr Leo Deng Hao resigned as Financial Controller on 9 August 2022.

(2) Ms Jennifer Zhang Dan was appointed as Group Financial Controller on 12 December 2022.

Apart from the Executive Directors, the Company only has one key management personnel at any point in time in FY2022. The total remuneration paid to key management personnel is approximately S\$76,000. There is no employee who is immediate family member to a Director, CEO or substantial shareholder of the Company and whose remuneration exceeded S\$100,000 during FY2022.

The Company has adopted a performance share plan known as the "Revez's Performance Share Plan" ("PSP") on 25 June 2020. During FY2022, no awards have been granted to eligible participants under the PSP.

The Company has not disclosed details of the remuneration of its Directors and key management personnel as the Board believes that full details disclosure of the remuneration of each Director and key management personnel as recommended by the Code would be prejudicial to the Group's interest and hamper its ability to retain and nurture the Group's talent pool. The Company has instead presented such information in remuneration bands.

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C. ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Company does not have a separate risk management committee but risk management is under the purview of the ARC. The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost-effective control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

However, the Management regularly reviews the Group's business and operational activities to identify areas of significant business risks, as well as appropriate measures through which to control and mitigate these risks. The Management reviews all significant control policies and procedures and highlights all significant matters to the Board and the ARC.

The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board oversees the Management in the design, implementation and monitoring of the risk management and internal control systems and reviews the adequacy and effectiveness of such systems at least annually.

The IA conduct annual reviews of the effectiveness of the Group's key internal controls, including financial, operational, compliance and information technology controls, and risk management. Any material non-compliance or lapses in internal controls, together with recommendations for improvement, are reported to the ARC and the Board. This has ensured the timely and proper implementation of all required corrective, preventive and improvement measures.

The Board has received assurance from the Group Financial Controller and Executive Director that:

- a) the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- b) the Group's risk management and internal control systems are adequate and effective in addressing the material risks of the Group in its current business environment including financial, operational, compliance and information technology risks.

Based on the assurance from the Group Financial Controller and Executive Director, referred to in the preceding paragraph, the various internal controls put in place by the Group, the work performed and reports submitted by the EA and IA of the Group and the reviews carried out by the Board and the ARC, the Board, with the concurrence of the ARC, is of the view that the internal control systems of the Group addressing financial, operational, compliance and information technology controls and risk management systems are adequate and effective as at 31 December 2022.

AUDIT AND RISK COMMITTEE

Principle 10: The Board has an Audit and Risk Committee ("ARC") which discharges its duties objectively.

As at date of this Report, the ARC comprises two (2) members, all of whom including the Chairman, are independent.

Mr Lim Yeow Hua	Chairman
Mr Lim Soon Tong	Member

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Following Mr Tan Chade Phang's resignation with effect from 21 March 2023, the ARC does not meet the requirement of a minimum of three (3) members. As mentioned above, the Board and NC are in the process of selection and appointment of a new Independent Director to ensure compliance with the Code and relevant Catalist Rules.

The ARC meets at least twice a year, and at more frequency if warranted by circumstances, to discharge its duties and functions. For FY2022, the ARC met twice.

No former partner or director of the Company's existing audit firm or auditing corporation is a member of the ARC. The members of the ARC have sufficient accounting or financial management expertise, as interpreted by the Board in its business judgment, to discharge the ARC's functions. To keep abreast of the changes in accounting standards and issues which have a direct impact on the financial statements of the Group, the ARC is encouraged to participate in training courses, seminars and workshops, as relevant, and to seek advice from the EA at the ARC meetings that are held.

The ARC functions under a set of written terms of reference which sets out its responsibilities as follows:

- a) review the audit plans of the IA and EA of the Company, and review the internal auditors' evaluation of the adequacy of the Group's/Company's system of internal accounting controls and the assistance given by the Group's/Company's management to the EA and IA;
- b) review the half yearly announcement of financial statements and annual financial statements and the auditors' report on the annual consolidated financial statements of the Company and its subsidiaries before their submission to the Board of Directors;
- c) review the adequacy and effectiveness of the Group's/Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the IA;
- d) meet with the EA and IA, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC;
- e) review legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programs and any reports received from regulators;
- f) review the cost effectiveness and the independence and objectivity of the EA;
- g) review the nature and extent of non-audit services provided by the EA;
- h) report actions and minutes of the ARC to the Board of Directors with such recommendations as the ARC considers appropriate;
- i) review interested person transactions in accordance with the requirements of the Listing Manual Section B: Rules of Catalist of the SGX-ST;
- j) review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;
- k) review the assurance from the CEO and the CFO on the financial records and financial statements;
- l) make recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of EA; and (ii) the remuneration and terms of engagement of the EA;
- m) review the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function;

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- n) review the whistle-blowing policy and its arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and
- o) undertake such other functions and duties as may be agreed to by the ARC and the Board of Directors.

The ARC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, and full discretion to invite any Director, executive officer or other employee of the Group to attend its meetings and is given reasonable resources to enable it to discharge its functions properly and effectively.

If the ARC becomes aware of any suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations or rules of the Exchange or any other regulatory authority in Singapore, which has or is likely to have a material impact on the Company's operating results or financial position, the ARC must discuss such matter with the EA and, at appropriate times, report the matter to the board and to the sponsor.

The Group has implemented a whistle-blowing policy which aims to provide an avenue for employees and external parties to raise concerns about misconduct or improprieties in the Group and at the same time assure them that they will be protected from victimization for whistle-blowing in good faith. The various channels for reporting any fraudulent practices and inappropriate activities are clearly communicated to employees and the contact details of Chairman of ARC, Mr Lim Yeow Hua and Group Financial Controller, Ms Jennifer Zhang Dan, can be found on the Company's corporate website.

The ARC undertakes to investigate all valid complaints of suspected misconduct or wrongdoing, objectively. The outcome of each whistleblower investigation is reported by the ARC to the Board. The Company's whistle-blowing policy clearly sets out the channels that employees and external parties for the reporting of such concerns. The policy provides mechanisms for the reporting of any suspected misconduct or wrongdoing. The policy also states that reports filed will be treated fairly and dealt with confidentially. The whistleblower policy is promoted during staff training and through periodic communication to all staff as part of the Group's efforts to promote strong ethical values and awareness in fraud detection/controls.

The ARC is responsible for the oversight and monitoring of the said policy. It aims to deter and uncover corrupt, illegal, unethical or fraudulent practices or conduct that is detrimental to the Group and committed by its officers, employees or other stakeholders such as suppliers and contractors. The Group encourages its officers, employees and other stakeholders to provide information or report any incidents of unsafe, unlawful, unethical, fraudulent or wasteful practices.

The EA update the ARC on any changes in accounting standards impacting the financial statements of the Group before an audit commences. Significant matters that were discussed with the Management and the EA have been included as key audit matters in the Auditors' Report for FY2022 on pages 47 to 49 of this Annual Report.

The ARC undertook a review of the independence and objectivity of the EA through discussions with the EA as well as reviewing the non-audit fees paid to them, if any. For FY2022, the amount of audit fees paid/payable by the Group to the EA, Moore Stephens LLP would be approximately S\$79,000. There were no non-audit services rendered by the Group's EA, Moore Stephens LLP.

The ARC has recommended to the Board that Moore Stephens LLP be nominated for re-appointment as EA at the forthcoming AGM. The audit partner in charge of auditing the Company also has not been in charge of more than five (5) consecutive audits in respect of the Company.

In proposing to shareholders the re-appointment of Moore Stephens LLP as EA of the Company and in line with the requirements under Rule 712 of the Catalist Rules and after taking into consideration the Audit Quality Indicators ("AQI") Disclosure Framework published by the Accounting and Corporate Regulatory Authority ("ACRA") in respect of Moore Stephens LLP, the Board and the ARC have considered and are satisfied with the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit. Moore Stephens LLP has confirmed that it is approved under the Accountants Act, and that the audit partner-in-charge is a public accountant under the Accountants Act.

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The Company is also in compliance with Rule 715 of the Catalist Rules in relation to the appointment of Moore Stephens LLP as the auditors of the Company and its subsidiaries.

The Company confirms that it is in compliance with Rule 712 and Rule 715 of the Catalist Rules.

The Company outsources its internal audit function to Messrs Yang Lee & Associates (“YLA” or “IA”). YLA is a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. The firm was set up in the year 2005 and currently maintains a diverse outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, retail and property development industries. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with sufficient expertise in corporate governance, risk management, internal controls and other relevant disciplines. Key members of the team (Managers and above) have at least 10 years of relevant experience.

The Company’s engagement with YLA stipulates that its work shall be guided by the International Standards for the Professional Practice of Internal Auditing (“**IIA Standards**”) issued by the Institute of Internal Auditors.

The ARC approves the appointment of the IA. ARC decides on the appointment, evaluation, termination and remuneration of the IA. The IA reports directly to the Chairman of the ARC and has full access to the Company’s documents, records, properties and personnel, including the ARC, and has appropriate standing within the Company.

The ARC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Company’s key activities. It also oversees the implementation of the internal audit plan and ensures that Management provides the necessary co-operation to enable the IA to perform its function.

The IA completed two reviews during the financial year ended 31 December 2022 in accordance with the risk-aligned internal audit plan approved by the ARC. The Board has adopted the recommendations of the IA as set out in the internal audit reports.

The ARC has reviewed and is satisfied that the internal audit function is independent, adequately resourced and effective.

The ARC meets with the EA and IA without the presence of the Management, at least annually. In FY2022, the ARC had met with EA and IA without the presence of Management.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders’ rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company supports the Code’s principle to encourage communication with and participation by shareholders. Shareholders are informed of general meetings through notices and reports or circulars, as relevant, sent to all shareholders as well as published via SGXNet and on the Company’s website.

The Company’s forthcoming AGM will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the “**Order**”). A member will not be able to attend the AGM in person but will be able to attend the AGM remotely. Alternative arrangements have been put in place to allow shareholders to participate at the AGM by way of electronic means, including (i) providing shareholders the opportunity to submit their questions prior to the AGM and for the Company to answer such questions in advance of shareholders’ submission of their proxy forms; (ii) participating and observing the AGM proceedings through “live” webcast, real-time question & answer session held and “live” voting capability; or (iii) voting by appointing the Chairman of the meeting as proxy at the AGM.

CORPORATE GOVERNANCE REPORT

Shareholders are encouraged to attend the AGM to ensure a greater level of shareholder participation. The Constitution allows a shareholder of the Company to appoint up to two proxies to attend the AGM and vote in place of the shareholder, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act 1967). A relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

The Company's Constitution does not permit voting in absentia at general meetings as such voting methods would need to be cautiously evaluated to ensure that the authenticity of the vote and the shareholder's identity is not compromised. The Company has decided, for the time being, not to implement voting in absentia by mail, email or fax. Separate resolutions on each distinct issue are tabled at general meetings and explanatory notes are set out in the notices of general meetings where appropriate. The Board supports the Code's principles as regards to "bundling" of resolutions. In the event that there are resolutions which are interlinked, the Board will provide reasons and material implications. All Directors, including the Chairman of the Board and the respective Chairman of the Board Committees, Management, legal professional (if required) and the EA are intended to be in attendance at general meetings to address any queries of the shareholders. In FY2022, shareholders were given the opportunity to submit questions in advance of general meetings held by way of electronic means. The EA were also available to assist in responses to questions submitted in advance of general meetings in relation to the conduct of the audit and the preparation and content of the auditors' report, if any. In FY2022, all Directors had attended all general meeting(s) held by the Company.

The Company is in full support of shareholders' participation at general meetings. For those who hold their shares through nominee or custodial services, they are allowed, upon prior request through their nominee, to attend the general meetings as observers without being constrained by the two-proxy rule.

All resolutions are put to vote by poll and shareholders are entitled to vote in accordance with established voting rules and procedures. An announcement of the detailed results is made after the conclusion of the general meetings.

Minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board or the Management, will be published on the Company's website and SGXNet as soon as practicable.

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results of operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate. There was no dividend declared/recommended for the FY2022 as the Company has adopted a prudent approach to conserve cash amidst the current challenging business environment.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable. Shareholders are provided with an update on the Group's performance, position and prospects through the Company's annual report.

The Company's half-year and full-year results announcements, corporate presentations, announcements and press releases are issued via SGXNet. Shareholders also have access to information on the Group via the Company's website. The Company discloses all material information on a timely basis to all shareholders. Where there is inadvertent disclosure made to a select group, the Company will endeavour to make the same disclosure publicly to all others promptly.

CORPORATE GOVERNANCE REPORT

Shareholders are given the opportunity to pose questions to the Board or the Management at the general meetings. The members of the ARC, the NC and the RC will be present at the AGM to answer questions relating to matters overseen by the respective Board Committees.

The Company does not have an investor relations policy. To enhance and encourage communication with shareholders and investors, the Company provides the contact information of its Marketing & PR Lead in its press releases. Shareholders and investors can send their enquiries through below contact details:

Email: ir@revezcorp.com | Tel: 6291 2691

E. MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, contractors and suppliers, government and regulators, community, and shareholders and investors. The Company engages its stakeholders on regular, continuing basis through various channels like the Company's website, social media accounts and email, gain insights to their expectations and concerns and use these learnings to make informed decisions in shaping the Company's business policies and strategies to create sustainable business growth and value for all stakeholders.

The Company will publish the sustainability report for the financial year ended 31 December 2022 on its own website (www.revezcorp.com). Upon hosting the publication on the website, an announcement will be made on SGXNET. The Company identifies its stakeholders and describes the sustainability approach and engagement with these stakeholders in its sustainability report.

The Company maintains a corporate website at <http://www.revezcorp.com> to communicate and engage with stakeholders.

DEALING IN SECURITIES

In compliance with the Catalist Rules on dealings in securities, Directors and employees of the Company are advised not to deal in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company shall not deal in and prohibits dealings in its shares by its Directors, officers and employees during the period commencing one month before the announcement of the Company's half-year and full-year financial statements and ending on the date of the announcement of the results. The Company circulates internal memo via electronic mails to its Directors, officers and employees on all the above stated.

INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the ARC, and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

During FY2022, the Group did not enter into any disclosable interested person transactions. The Group does not have a general mandate pursuant to Rule 920 of the Catalist Rules for interested person transactions.

CORPORATE GOVERNANCE REPORT

MATERIAL CONTRACTS

Save for the service agreements between the Executive Director(s) and the Company, there were no material contracts of the Group involving the interests of the Chairman, each Director or controlling shareholder, either still subsisting at the end of FY2022 or if not then subsisting, entered into since the end of the previous financial year. Subsequent to the financial year end, the Company entered into a loan agreement with a controlling shareholder of the Company, Lim Quee Lan for a S\$2 million loan for the purpose of the Company's working capital. The loan is unsecured, interest-free and will be repaid in full on maturity two years from the date of the draw down or any such date as may be extended by the Company with the lender's prior written consent.

NON-SPONSOR FEES

During the year, UOB Kay Hian Private Limited ("UOB Kay Hian") was appointed as the Company's continuing sponsor on 30 June 2022 in place of Hong Leong Finance Limited ("Hong Leong"). There were no non-sponsor fees paid to either UOB Kay Hian or Hong Leong in FY2022.

USE OF PROCEEDS

The utilisation of the net proceeds as of the date of this Annual Report from the Company's Reverse Takeover ("RTO") and the Compliance Placement of 21,621,621 new ordinary shares at S\$0.3664 each in the issued and paid-up share capital of the Company on 3 June 2019 (the "Placement") is set out as below:

Description	Compliance placement proceeds allocation (S\$'000)	Reallocation ⁽¹⁾ (S\$'000)	Revised Compliance Placement Proceeds Allocation (S\$'000)	Utilisation up to 24 Feb 2023 (S\$'000)
Repayment of debts owing by the Company before RTO ⁽¹⁾	1,422	(530)	892	892
To fund general corporate activities including, but not limited to, acquisitions, joint ventures and/or strategic alliances, establishing overseas companies and branch offices	4,000	—	4,000	4,000 ⁽²⁾
General working capital ⁽¹⁾	1,360	530	1,890	1,890 ⁽³⁾
Net Proceeds / Utilisation	6,782	—	6,782	6,782
Professional fees and expenses	960	—	960	960
Miscellaneous expenses	180	—	180	180
Gross Proceeds / Utilisation	7,922	—	7,922	7,922

(1) All debts owing by the Company before RTO have been repaid by the Company. The balance of approximately S\$530,000 was reallocated as general working capital. The old debts repayment was less than budgeting due mainly to reduction of debts owing to several creditors after negotiation by the management.

(2) The Company has utilised the proceeds to incorporate AIAC Pte. Ltd, fund the Purchase Consideration for the completion of Proposed Acquisition of PGK Digital Networks Pte. Ltd. and injected capital to Revez Motion Pte Ltd.

(3) Working capital includes professional fees and general overheads.

Save for the reallocation of the Compliance Placement Proceeds, the use of the Net Proceeds and Gross Proceeds as disclosed above is in accordance with the stated use and in accordance with the percentage allocated in the Circular to Shareholders dated 29 March 2019.

CORPORATE GOVERNANCE REPORT

INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING

Details	Lim Yeow Hua	Lim Soon Tong
Date of Appointment	30 January 2023	30 January 2023
Date of last re-appointment (if applicable)	N.A.	N.A.
Age	61	59
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	Mr Lim Yeow Hua was first appointed on 30 January 2023. At the Nominating Committee ("NC") meeting held on 24 February 2023, the NC having assessed Mr Lim's independence based on his experience, expertise, conduct, character, and relationships with the Company and/or its substantial shareholders, had recommended to the Board the re-appointment of Mr Lim. The Board concurred with the NC's recommendation on Mr Lim's re-appointment as a Director of the Company.	Mr Lim Soon Tong was first appointed on 30 January 2023. At the NC meeting held on 24 February 2023, the NC having assessed Mr Lim's independence based on his experience, expertise, conduct, character, and relationships with the Company and/or its substantial shareholders, had recommended to the Board the re-appointment of Mr Lim. The Board concurred with the NC's recommendation on Mr Lim's re-appointment as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Board Chairman, Chairman of the Audit & Risk Committee ("ARC"), Chairman of the NC and Member of the Remuneration Committee ("RC")	Independent Director, Chairman of RC, Member of ARC and Member of NC
Professional qualifications	Fellow Member of the Institute of Singapore Chartered Accountants Accredited Tax Advisor of the Singapore Chartered Tax Professionals	B Eng (EEE) MBA (Accountancy)
Working experience and occupation(s) during the past 10 years	2017 to 2019: INCORP GLOBAL PTE LTD Group Head of Tax 2006 to 2017 ASIA PACIFIC BUSINESS CONSULTANTS PTE LTD Managing Director	2016 to 2021: VIGLI SOLUTIONS Director 2008 to 2016: HEWLETT-PACKARD ENTERPRISE Server Business Manager

CORPORATE GOVERNANCE REPORT

Details	Lim Yeow Hua	Lim Soon Tong
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking in the format set out in Appendix 7H under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	<u>Present</u> Accrelist Limited KSH Holdings Limited NauticAWT Limited Oxley Holdings Limited <u>Past (for the last 5 years)</u> Yingli International Real Estate Ltd Select Medical Services Ltd KTL Global Limited Prestige Biopharma Pte Ltd Singapore Women's & Children's Medical Group Pte Ltd	NIL
The general statutory disclosures of the Directors are as follows:		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

CORPORATE GOVERNANCE REPORT

Details	Lim Yeow Hua	Lim Soon Tong
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the group of insolvency?	Yes. Eratat Lifestyle Limited (“Eratat”) was delisted from the mainboard of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 19 June 2017 with the SGX-ST’s approval and is currently undergoing liquidation pursuant to compulsory winding up proceedings. Mr Lim Yeow Hua was a non-executive independent director of Eratat and had not been involved in the management or operations of Eratat.	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

CORPORATE GOVERNANCE REPORT

Details	Lim Yeow Hua	Lim Soon Tong
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No

CORPORATE GOVERNANCE REPORT

Details	Lim Yeow Hua	Lim Soon Tong
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

CORPORATE GOVERNANCE REPORT

Details	Tan Kim Swee Bernard	Jennifer Zhang Dan
Date of Appointment	30 January 2023	30 January 2023
Date of last re-appointment (if applicable)	N.A.	N.A.
Age	47	40
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	Mr Tan Swee Bernard was first appointed as a Non-Independent, Non-Executive Director of the Company on 30 January 2023. Mr Tan is a controlling shareholder of the Company. The Board of Directors accepted the Nominating Committee's ("NC") recommendation for Mr Tan's re-appointment based on his legal educational background and professional experience, Mr Tan would be able to provide the Company with valuable strategic guidance and advice.	Ms Jennifer Zhang Dan was first appointed as an Executive Director of the Company on 30 January 2023. Ms Zhang is the Group Financial Controller of the Company. The Board of Directors accepted the NC's recommendation for Ms Zhang's re-appointment based on her qualifications and experience.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive. Responsible for the accounting and finance functions of the Company and the Group.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Independent, Non-Executive Director	Executive Director and Group Financial Controller
Professional qualifications	Bachelor of Laws, National University of Singapore Postgraduate Law Diploma, Singapore Institute of Legal Education	CA Singapore, The Institute of Singapore Chartered Accountants FCCA, The Association of Chartered Certified Accountants
Working experience and occupation(s) during the past 10 years	2012 to 2020: CHARACTERIST LLC Joint Head of Corporate and Commercial Department 2021 to Present: QUADRANT LAW LLC Founder and Managing Director	December 2022 to Present: REVEZ CORPORATION LTD Group Financial Controller May to November 2022: CAMSING HEALTHCARE LIMITED Financial Controller 2020 to May 2022: MOORE BUSINESS ADVISORY PTE LTD Manager

CORPORATE GOVERNANCE REPORT

Details	Tan Kim Swee Bernard	Jennifer Zhang Dan
		2019 to 2020: BRONX HOLDINGS PTE LTD Chief Financial Officer 2014 to 2018: ANAN INTERNATIONAL LIMITED Financial Controller/CFO 2006 to 2014: MAZARS LLP Auditor
Shareholding interest in the listed issuer and its subsidiaries	53,424,690 shares	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking in the format set out in Appendix 7H under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships	<u>Present</u> Quadrant Law LLC <u>Past (for the last 5 years)</u> Nil Note: Excludes companies which Mr Tan Kim Swee Bernard was appointed as director for purposes of incorporation only and in the course of his professional practice, and companies where he acts as nominee director.	<u>Present</u> IN2IT Holdings Pte Ltd Multileap Corporate Advisory Pte Ltd <u>Past (for last 5 years)</u> Nil
The general statutory disclosures of the Directors are as follows:		

CORPORATE GOVERNANCE REPORT

Details	Tan Kim Swee Bernard	Jennifer Zhang Dan
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the group of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

CORPORATE GOVERNANCE REPORT

Details	Tan Kim Swee Bernard	Jennifer Zhang Dan
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No

CORPORATE GOVERNANCE REPORT

Details	Tan Kim Swee Bernard	Jennifer Zhang Dan
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

DIRECTORS' STATEMENT

The directors present their statement to the members of Revez Corporation Ltd. (the “Company”) together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the financial year ended 31 December 2022 and the statement of financial position of the Company as at 31 December 2022.

In the opinion of the directors:

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Group and the Company will be able to pay their debts as and when they fall due, and the financial statements have been prepared on a going concern basis, after taking into account the consideration factors as disclosed in Note 2 to the financial statements.

1 Directors

The directors of the Company in office at the date of this statement are:

Lim Yeow Hua	Independent Director and Board Chairman (Appointed on 30 January 2023)
Tan Kim Swee Bernard	Non-Executive Director (Appointed on 30 January 2023)
Jennifer Zhang Dan	Executive Director (Appointed on 30 January 2023)
Lim Soon Tong	Independent Director (Appointed on 30 January 2023)

2 Arrangements to Enable Directors to Acquire Shares or Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in Note 4 of this statement.

DIRECTORS' STATEMENT

3 Directors' Interests in Shares or Debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and related corporations except as stated below.

<u>Name of directors</u>	<u>Direct interest</u>		<u>Deemed interest</u>	
	<u>At the beginning of year</u>	<u>At the end of year</u>	<u>At the beginning of year</u>	<u>At the end of year</u>
The Company				
<i>Number of ordinary shares</i>				
Neo Wee Han Victor ⁽¹⁾	6,722,267	-	90,108,805 ⁽³⁾	-
Lim Kian Sing ⁽²⁾	5,000	-	98,489,422 ⁽⁴⁾	-
Ultimate Holding Company				
<u>L3N Capital Pte. Ltd.⁽⁵⁾</u>				
<i>Number of ordinary shares</i>				
Neo Wee Han Victor ⁽¹⁾	304	-	-	-
Lim Kian Sing ⁽²⁾	304	-	-	-

⁽¹⁾ Resigned as a director of the Company on 21 March 2023.

⁽²⁾ Resigned as a director of the Company on 13 February 2023.

⁽³⁾ Deemed interest was derived from the Company's ordinary shares held by the former ultimate holding company, L3N Capital Pte. Ltd.

⁽⁴⁾ Deemed interest was derived from the Company's ordinary shares held by the former ultimate holding company, L3N Capital Pte. Ltd. and under United Overseas Bank Nominees (Private) Limited.

⁽⁵⁾ Ceased to be the ultimate holding company of the Company on 7 December 2022.

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2023.

Except as disclosed above, no director who held office at the end of the financial year had interests in shares or debentures of the Company and related corporations, either at the beginning of the financial year or at the end of the financial year.

4 Revez's Performance Share Plan

The Revez's Performance Share Plan (the "Share Plan") of the Company was adopted and approved by the shareholders of the Company at the Extraordinary General Meeting held on 25 June 2020. The Share Plan is administered by the Remuneration Committee (the "Committee") of the Company, comprising the two independent directors, Lim Yeow Hua and Lim Soon Tong. The Share Plan shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the Share Plan was adopted.

The Share Plan is a share incentive plan that contemplates the award of fully paid ordinary shares in the capital of the Company ("Share Awards") when and after predetermined performance or service conditions are accomplished and/or due recognition should be given to any good work performance and/or any significant contributions to the Company.

The Share Plan allows for participation by full-time employees of the Group (including executive directors) ("Participants"). The Share Awards granted under the Share Plan ("Awards") will be determined at the sole discretion of the Committee. Participants are not required to pay for the grant of Awards, or for the Share Awards allotted or allocated pursuant to an Award.

Since the commencement of the Share Plan till the end of the financial year, no Awards have been granted to any of the executive directors and/or employees of the Group.

5 Share Options

During the financial year, there were no share options granted to subscribe for unissued shares of the Company or any corporation in the Group.

During the financial year, there were no shares issued by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group.

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

DIRECTORS' STATEMENT

6 Audit Committee

The Audit Committee (“AC”) comprises the following independent directors at the date of this statement:

Lim Yeow Hua (Chairman)
Lim Soon Tong

The AC carried out its functions in accordance with Section 201B(5) of the Act, the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual and the Code of Corporate Governance and assists the Board of Directors of the Company (the “Board”) in the execution of its corporate governance responsibilities within its established terms of reference.

The duties of the AC, amongst other things, include:

- (a) review the audit plans of the internal and external auditors of the Company, and review the internal auditors’ evaluation of the adequacy of the Group’s/Company’s system of internal accounting controls and the assistance given by the Group’s/Company’s management to the external and internal auditors;
- (b) review the half yearly announcement of financial information and annual financial statements and the auditors’ report on the annual consolidated financial statements of the Company and its subsidiaries before their submission to the Board;
- (c) review the effectiveness of the Group’s/Company’s material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditors;
- (d) meet with the external and internal auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- (e) review legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programs and any reports received from regulators;
- (f) review the cost effectiveness and the independence and objectivity of the external auditors, and the nature and extent of non-audit services provided by the external auditors;
- (g) recommend to the Board the external auditors to be nominated, approve the compensation of the external auditors and review the scope and results of audit;

DIRECTORS' STATEMENT

6 Audit Committee (cont'd)

The duties of the AC, amongst other things, include: (cont'd)

- (h) report actions and minutes of the AC to the Board with such recommendations as the AC considers appropriate;
- (i) review interested person transactions in accordance with the requirements of the SGX-ST Listing Manual; and
- (j) undertake such other functions and duties as may be agreed to by the AC and the Board.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board that the auditors, Moore Stephens LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Further information regarding the AC are detailed in the Report on Corporate Governance set out in the Annual Report of the Company.

7 Independent Auditors

The independent auditors, Moore Stephens LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

.....
Lim Yeow Hua
Director

Singapore
12 April 2023

.....
Jennifer Zhang Dan
Director

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Revez Corporation Ltd. (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 32(b) to the financial statements, which describe the ongoing legal proceedings in relation to claims for demand of payment against the Company, its wholly owned subsidiary - PGK Digital Networks Pte. Ltd. (“PGK”), and the Company’s nominated directors to PGK’s board (collectively, the “Defendants”) by the former chief executive officer and director of PGK (the “Plaintiff”). The solicitors engaged by the Defendants have advised that the Defendants have a reasonable chance to succeed in their defences against the Plaintiff’s claims, and the Company and PGK succeeding in their counterclaims against the Plaintiff. The directors of the Company are therefore of the view that no provision for any loss from the ongoing legal proceedings is required to be recognised in the financial statements at the reporting date. Further, as disclosed in Note 2 to the financial statements, management is of the view that the ongoing legal proceedings will not affect the business operations of the Group, and in the event any payment of such demand(s) are made by the Company and/or PGK, such payment(s) are not expected to materially impact the financial position of the Group/Company and the ability of the Group/Company to continue as a going concern. Our opinion is not modified in respect of these matters.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Impairment of property, plant and equipment (Refer to Note 13 to the financial statements) As at 31 December 2022, management performed impairment testing of the Group's property, plant and equipment, in relation to media equipment under the digital media networks segment, as there was indication of impairment. These media equipment amounted to approximately S\$2.31 million (before any impairment loss) as at year end, representing approximately 84% of the Group's property, plant and equipment. For the impairment testing, management prepared value in use ("VIU") calculations to determine the recoverable amount of the relevant cash-generating unit ("CGU") for the media equipment. Following the impairment testing, an impairment loss on the Group's property, plant and equipment, in relation to media equipment, of approximately S\$1.34 million was recognised in the financial statements at the reporting date as disclosed in Note 13 to the financial statements. The VIU was based on cash flow forecast of the relevant CGU, the preparation of which involves significant judgements and estimates by management, to determine the recoverable amount of the relevant CGU for the media equipment. Accordingly, we determined this as a key audit matter.	Our audit procedures included, amongst others, evaluating management's assumptions and estimates applied in the cash flow forecasts taking into consideration our knowledge of the operations and performance of the relevant CGU and industry benchmarks. In addition, we also validated key inputs used in the discounted cash flow forecast, such as forecasted revenue, operating costs and the discount rate, to contractual and historical data to assess the reasonableness of management's forecast. We tested management's sensitivity analysis of the recoverable amount of the relevant CGU for the media equipment based on reasonable changes to the key assumptions used in the cash flow forecast. We also checked the mathematical accuracy of the underlying calculations. In addition, we reviewed the adequacy of the disclosures made for the impairment testing of the Group's property, plant and equipment, in relation to the media equipment, including management's sensitivity analysis, in Note 13 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters (cont'd)

Key Audit Matter	How our audit addressed the key audit matter
Impairment of goodwill and intangible assets (Refer to Note 14 and Note 15 to the financial statements) As at 31 December 2022, management performed annual impairment testing of the Group's goodwill. Management also performed impairment testing of the Group's intangible assets as there was indication of impairment. The Group's goodwill and intangible assets amounted to approximately S\$1.67 million and S\$0.36 million (before any impairment loss), respectively, as at year end, and are entirely under the digital media networks segment. For the impairment testing, management prepared value in use ("VIU") calculations to determine the recoverable amount of the relevant cash-generating unit ("CGU"). Following the impairment testing, full impairment losses on the Group's goodwill and intangible assets were recognised in the financial statements at the reporting date as disclosed in Note 14 and Note 15, respectively. The VIU was based on cash flow forecast of the CGU, the preparation of which requires significant judgements and estimates by management, to determine the recoverable amount of the relevant CGU. Accordingly, we determined this as a key audit matter.	Our audit procedures included, amongst others, evaluating management's assumptions and estimates applied in the cash flow forecast taking into consideration our knowledge of the operations and performance of the CGU, and industry benchmarks. In addition, we also validated key inputs used in the discounted cash flow forecast, such as forecasted revenue growth rate and the discount rate, to historical data and external market data to assess the reasonableness of management's forecasts. We also checked the mathematical accuracy of the underlying calculations. In addition, we reviewed the adequacy of the disclosures made for the impairment testing in of the Group's goodwill and intangible assets in Note 14 and Note 15 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters (cont'd)

Key Audit Matter	How our audit addressed the key audit matter
Impairment of investment in subsidiaries (Refer to Note 16(e) to the financial statements) As at 31 December 2022, management performed impairment testing of the Company's investments in two subsidiaries, Revez Motion Pte. Ltd. ("RM") and PGK Digital Networks Pte. Ltd. ("PGK"), as there was indication of impairment. For the impairment testing, management prepared value in use ("VIU") calculations to determine the recoverable amount of the relevant cash-generating unit ("CGU"). Following the impairment testing, impairment losses on the Company's investment in RM and PGK of approximately S\$3.65 million and S\$4 million, respectively, were recognised in the financial statements at the reporting date as disclosed in Note 16(e) to the financial statements. Consequent to the above, the carrying amount of the Company's investments in subsidiaries have been written down to S\$615,553 as at 31 December 2022 as disclosed in Note 16(e) to the financial statements. The VIU was based on cash flow forecasts of the CGU, the preparation of which involves significant judgements and estimates by management, to determine the recoverable amount of the CGU, and may be affected by uncertainties around future market or economic conditions. Accordingly, we determined this as a key audit matter.	Our audit procedures included, amongst others, evaluating management's assumptions and estimates applied in the cash flow forecasts taking into consideration our knowledge of the subsidiaries' operations, performance and industry benchmarks. We also obtained an understanding of management's planned strategies on revenue growth and cost initiatives for these subsidiaries. In addition, we also validated key inputs used in the discounted cash flow forecasts, such as forecasted revenue growth rate and the discount rate, to historical data and external market data to assess the reasonableness of management's forecasts. We tested management's sensitivity analysis of the recoverable amount of these investments based on reasonable changes to the key assumptions used in the cash flow forecasts. We also checked the mathematical accuracy of the underlying calculations. In addition, we reviewed the adequacy of the disclosures in relation to the impairment testing of investment in subsidiaries, including management's sensitivity analysis, in Note 16(e) to the financial statements.

INDEPENDENT AUDITOR'S REPORT

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr Ng Chiou Gee Willy.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore
12 April 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2022

		Group	
	<u>Note</u>	<u>2022</u> S\$	<u>2021</u> S\$
Revenue	6(a)	8,323,960	7,529,009
Other income	7	931,167	1,485,199
Material costs and changes in inventories – cost of inventories sold		(3,255,901)	(2,881,995)
Salaries and employees' benefits	8	(3,770,871)	(4,677,608)
Depreciation of property, plant and equipment		(1,159,644)	(741,095)
Depreciation of investment property		-	(29,304)
Amortisation of intangible assets		(131,376)	(131,376)
Impairment of property, plant and equipment	13	(1,336,524)	-
Impairment of goodwill	14	(1,666,655)	(1,650,000)
Impairment of intangible assets	15	(361,277)	-
Trade receivables written off		-	(13,471)
Impairment loss on trade receivables and contract assets, net		(374,499)	(57,832)
Other operating expenses		(1,636,797)	(961,553)
Finance costs	9	(71,378)	(87,821)
Loss before income tax	10	(4,509,795)	(2,217,847)
Income tax	11(a)	73,410	22,114
Loss for the year		(4,436,385)	(2,195,733)
Other comprehensive income		-	-
Total comprehensive loss for the year		(4,436,385)	(2,195,733)
Loss for the year attributable to:			
Owners of the Company		(4,372,488)	(1,932,879)
Non-controlling interests		(63,897)	(262,854)
		(4,436,385)	(2,195,733)
Total comprehensive loss for the year attributable to:			
Owners of the Company		(4,372,488)	(1,932,879)
Non-controlling interests		(63,897)	(262,854)
		(4,436,385)	(2,195,733)
Loss per share:			
Basic and Diluted (cents per share)	12	(2.61)	(1.15)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	<u>Note</u>	<u>2022</u> S\$	<u>2021</u> S\$
ASSETS			
Non-current assets			
Property, plant and equipment	13	1,409,189	3,507,660
Goodwill	14	-	1,666,655
Intangible assets	15	-	492,653
		<u>1,409,189</u>	<u>5,666,968</u>
Current assets			
Inventories	17	-	132,087
Trade and other receivables	18	2,242,164	1,575,364
Contract assets	6(b)	856,426	230,424
Cash and bank balances	19	1,806,945	3,317,378
		<u>4,905,535</u>	<u>5,255,253</u>
Non-current asset classified as held-for-sale	20	-	615,499
		<u>4,905,535</u>	<u>5,870,752</u>
Total assets		<u><u>6,314,724</u></u>	<u><u>11,537,720</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	21	18,713,062	18,713,062
Merger reserve	22	137,500	137,500
Accumulated losses		(17,534,483)	(13,161,995)
Equity attributable to owners of the Company		<u>1,316,079</u>	<u>5,688,567</u>
Non-controlling interests	23	-	393,847
Total equity		<u><u>1,316,079</u></u>	<u><u>6,082,414</u></u>
Non-current liabilities			
Loans and borrowings	25	1,012,772	1,844,074
Deferred tax liabilities	11(b)	-	83,750
		<u>1,012,772</u>	<u>1,927,824</u>
Current liabilities			
Trade and other payables	24	2,916,698	1,864,478
Contract liabilities	6(b)	376,577	369,896
Loans and borrowings	25	692,598	1,293,108
		<u>3,985,873</u>	<u>3,527,482</u>
Total liabilities		<u><u>4,998,645</u></u>	<u><u>5,455,306</u></u>
Total equity and liabilities		<u><u>6,314,724</u></u>	<u><u>11,537,720</u></u>

The accompanying notes form an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	<u>Note</u>	<u>Company</u> <u>2022</u> S\$	<u>2021</u> S\$
ASSETS			
Non-current assets			
Investment in subsidiaries	16	615,553	7,579,650
Other receivables	18	-	604,624
		<u>615,553</u>	<u>8,184,274</u>
Current assets			
Other receivables	18	143,056	535,176
Cash and bank balances	19	70,315	1,873,026
		<u>213,371</u>	<u>2,408,202</u>
Total assets		<u>828,924</u>	<u>10,592,476</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	21	62,030,012	62,030,012
Accumulated losses		(61,443,506)	(51,490,777)
Total equity		<u>586,506</u>	<u>10,539,235</u>
Current liabilities			
Trade and other payables	24	242,418	53,241
Total liabilities		<u>242,418</u>	<u>53,241</u>
Total equity and liabilities		<u>828,924</u>	<u>10,592,476</u>

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2022

	Share capital S\$	Merger reserve S\$	Accumulated losses S\$	Attributable to equity owners of the Company S\$	Non-controlling interests S\$	Total equity S\$
Group						
At 1 January 2022	18,713,062	137,500	(13,161,995)	5,688,567	393,847	6,082,414
Loss for the year	-	-	(4,372,488)	(4,372,488)	(63,897)	(4,436,385)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(4,372,488)	(4,372,488)	(63,897)	(4,436,385)
Capital reduction of a subsidiary (Note 16(b))	-	-	-	-	(191,250)	(191,250)
Disposal of a subsidiary (Note 16(d))	-	-	-	-	(132,136)	(132,136)
Subsidiaries struck off	-	-	-	-	(6,564)	(6,564)
At 31 December 2022	18,713,062	137,500	(17,534,483)	1,316,079	-	1,316,079

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2022

(cont'd)

Group	Share capital S\$	Merger reserve S\$	Accumulated losses S\$	Attributable to equity owners of the Company S\$	Non-controlling interests S\$	Total equity S\$
At 1 January 2021	18,713,062	137,500	(11,229,116)	7,621,446	699,131	8,320,577
Loss for the year	-	-	(1,932,879)	(1,932,879)	(262,854)	(2,195,733)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(1,932,879)	(1,932,879)	(262,854)	(2,195,733)
Disposal of a subsidiary	-	-	-	-	(42,430)	(42,430)
At 31 December 2021	18,713,062	137,500	(13,161,995)	5,688,567	393,847	6,082,414

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2022

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Cash Flows from Operating Activities		
Loss before income tax	(4,509,795)	(2,217,847)
Adjustments for:		
Depreciation of property, plant and equipment	1,159,644	741,095
Depreciation of investment property	-	29,304
Amortisation of intangible assets	131,376	131,376
Impairment of property, plant and equipment	1,336,524	-
Impairment of goodwill	1,666,655	1,650,000
Impairment of intangible assets	361,277	-
Loss on disposal of property, plant and equipment	2,928	-
Property, plant and equipment written off	62,284	-
Gain on disposal of investment property	(534,501)	-
(Gain)/Loss on disposal of a subsidiary	(62,824)	29,161
Gain on subsidiaries struck off, net	(1,605)	-
(Reversal of allowance)/Allowance for inventory obsolescence	(123,153)	11,025
Trade receivables written off	-	13,471
Impairment loss on trade receivables and contract assets, net	374,499	57,832
Gain on pre-termination of lease of office property	(3,753)	-
Fair value gain on contingent consideration payable	-	(1,026,744)
Interest income	(362)	(2,745)
Interest expense	71,378	87,821
Operating cash flows before working capital changes	(69,428)	(496,251)
Change in working capital:		
Inventories	47,447	(49,792)
Trade and other receivables	(1,416,460)	495,409
Contract assets	(626,002)	228,034
Trade and other payables	1,184,277	(649,199)
Contract liabilities	233,811	174,801
Cash used in operations	(646,355)	(296,998)
Interest received	362	2,745
Income tax paid	(10,340)	(165,717)
Net cash used in operating activities	(656,333)	(459,970)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(608,989)	(2,448,492)
Proceeds from disposal of property, plant and equipment	5,760	-
Proceeds from disposal of investment property	1,150,000	-
Decrease in bank deposits with maturity period of more than 3 months	-	1,850,000
Net cash inflow/(outflow) on disposal of a subsidiary	86,704	(14,511)
Net cash outflow on subsidiaries struck off	(3,046)	-
Net cash generated from/(used in) investing activities	630,429	(613,003)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2022

(cont'd)

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Cash Flows from Financing Activities		
Proceeds from bank borrowings	-	2,002,809
Repayment of bank borrowings	(1,083,228)	(85,401)
Principal payment of lease liabilities	(282,293)	(284,571)
Interest paid	(71,378)	(87,821)
Cash distribution to non-controlling interests	(13,903)	-
Dividend paid to the former shareholder of a subsidiary	(33,727)	-
Net cash (used in)/generated from financing activities	<u>(1,484,529)</u>	<u>1,545,016</u>
Net (decrease)/increase in cash and cash equivalents	(1,510,433)	472,043
Cash and cash equivalents at the beginning of year	<u>3,317,378</u>	<u>2,845,335</u>
Cash and cash equivalents at the end of year (Note 19)	<u><u>1,806,945</u></u>	<u><u>3,317,378</u></u>

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Financial Year Ended 31 December 2022

(cont'd)

The reconciliation of movements of the liabilities to cash flows arising from financing activities is presented below.

	<u>Cash flows</u>		<u>Non-cash changes</u>		At	
	1 January 2022 S\$	<u>Proceeds</u> S\$	<u>Repayments</u> S\$	<u>Reversal of lease liabilities</u> S\$	Interest expense S\$	31 December 2022 S\$
Group						
Bank borrowings		2,596,914	-	(1,133,310)	-	50,082
Lease liabilities		540,268	-	(303,589)	(66,291)	21,296
						1,513,686
						191,684

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

These notes form an integral part of and should be read in conjunction with the consolidated financial statements:

1 General Information

Revez Corporation Ltd. (the “Company”) is a public limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The address of the Company’s registered office and principal place of business is 29 Media Circle, #03-13 Alice@Mediapolis, Singapore 138565.

The Company’s immediate and ultimate holding company was L3N Capital Pte. Ltd. (“L3N Capital”), incorporated in Singapore and the ultimate controlling parties of the Group were Neo Wee Han Victor, Lim Kian Sing and Liang Xingfen (Spouse of Lee Han Chong) (collectively, the “Controlling Shareholders”). Following the acquisition of shares held by L3N Capital by certain third parties, L3N Capital ceased to be the ultimate holding company of the Company on 7 December 2022, and consequently, the Controlling Shareholders ceased to be controlling parties of the Company on that date.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 16.

The financial statements were approved by the directors of the Company and authorised for issue on the date of the Directors’ Statement.

2 Going Concern Assumption

For the financial year ended 31 December 2022, the Group incurred a net loss and a total comprehensive loss of S\$4,436,385 (2021: S\$2,195,733) and has net cash flows used in operating activities of S\$656,333 (2021: S\$459,970). As at 31 December 2022, the Company’s current liabilities exceeded its current assets by S\$29,047 (2021: current assets exceeded current liabilities by S\$2,354,961).

The above conditions may cast a significant doubt on the ability of the Group/Company to continue in operational existence for the foreseeable future and to discharge its liabilities in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

2 Going Concern Assumption (cont'd)

Notwithstanding the above, the directors of the Company believe that the use of the going concern assumption in the preparation and presentation of the financial statements for the financial year ended 31 December 2022 is appropriate after taking into account the following considerations:

- (a) Management is of the view that the Group/Company will have sufficient working capital for at least the next 12 months from the date of these financial statements and will be able to pay its debts as and when they fall due based on a forecasted cash flow prepared;
- (b) Management has implemented cost-containment measures and does not expect the Group and/or the Company to have significant operational commitments that will require significant cash outflow in the next 12 months;
- (c) As disclosed in Note 32(b), there is ongoing legal proceedings in relation to claims for demand of payment against the Company, its wholly owned subsidiary - PGK Digital Networks Pte. Ltd. ("PGK"), and the Company's nominated directors to PGK's board (collectively, the "Defendants") by the former chief executive officer and director of PGK (the "Plaintiff"). The solicitors engaged by the Defendants have advised that the Defendants have reasonable chance to succeed in their defences against the Plaintiff's claims, and the Company and PGK succeeding in its counterclaims against the Plaintiff. Management is therefore of the view that the ongoing legal proceedings will not affect the business operations of the Group, and in the event any payment of such demand(s) are made by the Company and/or PGK, such payment(s) are not expected to materially impact the financial position of the Group/Company and the ability of the Group/Company to continue as a going concern;
- (d) As disclosed in Note 33, the Company has subsequent to the financial year end, entered into a loan agreement with a substantial shareholder of the Company for a S\$2.0 million loan for the purpose of the Company's working capital. The loan is unsecured, interest-free and will be repaid in full on maturity 2 years from the date of the draw down of the loan by the Company or any such date as may be extended by the Company with the lender's prior written consent. As at the date of these financial statements, the Company has fully drawn down the loan of S\$2.0 million; and
- (e) The Company is exploring the possibility of corporate actions involving entering into new business opportunities to generate new sources of revenue and/or fund-raising exercises for the Group.

Based on the forecasted cash flow prepared by management, the successful outcome of the ongoing legal proceedings and the aforesaid 2 year term loan obtained from a substantial shareholder of the Company subsequent to the financial year end, the directors of the Company are of the view that the Group and the Company will have sufficient cash resources to satisfy their working capital requirements, and the Group and the Company to continue in operational existence for the foreseeable future and to discharge their liabilities in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

3 Application of Singapore Financial Reporting Standards (International) (“SFRS(I)s”)

(a) Application of New and Revised SFRS(I)s

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted the following revised standards that are relevant to the Group and are mandatorily effective for an accounting period that begins on or after 1 January 2022:

Description

Amendments to SFRS(I) 3: *Reference to the Conceptual Framework*

Amendments to SFRS(I) 1-16: *Proceeds before Intended Use*

Amendments to SFRS(I) 1-37: *Onerous Contracts – Cost of Fulfilling a Contract*

Annual Improvements to SFRS(I)s 2018-2020: *Amendments to SFRS(I) 1, SFRS(I) 9, SFRS(I) 16*

Amendment to SFRS(I) 16: *COVID-19–Related Rent Concessions beyond 30 June 2021*

The adoption of the revised standards listed above did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

(b) New and Revised SFRS(I)s Issued but Not Yet Effective

At the date of authorisation of these financial statements, the Group has not applied the following revised standards that have been issued and are relevant to the Group but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to SFRS(I) 1-12: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to SFRS(I) 1-1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to SFRS(I) 1-1: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to SFRS(I) 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024

The directors of the Company expect that the adoption of the revised standards listed above will have no material impact on the financial statements of the Group in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies

(a) Basis of Preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act 1967 and SFRS(I)s. The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

(b) Group Accounting

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair value of the fair value of the investee's identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Gains and losses on the disposal of subsidiaries, include the carrying amount of goodwill relating to the entity sold.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

If the total of consideration transferred, non-controlling interest recognised and previously-held interest measured is less than the fair value of the net assets of the subsidiary acquired as in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests without loss of control are also recorded in equity.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained in the former subsidiary at its fair value;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and
- recognises any resulting difference in profit or loss.

(c) Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the statement of financial position of the Company. On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in profit or loss.

(d) Foreign Currencies

Functional and presentation currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates ("functional currency").

The Company's functional currency is Singapore Dollar ("S\$"), which reflects the economic substance of the underlying events and circumstances of the Company. For the purposes of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in S\$, which is the presentation currency for the consolidated financial statements.

Transactions and balances

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(e) Revenue Recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Service contracts

A service contract is a contract specifically negotiated for the provision of professional Information Technology (“IT”) services, including sales of hardware and/or software products as required under the relevant contract terms.

The Group is restricted contractually from providing the immersive & interactive multimedia solutions for another use as they are being installed and has an enforceable right to payment for milestones delivered to date. Revenue is recognised over time based on the delivery of the milestones promised under the service contract.

If the value of the services rendered by the Group exceed the amounts invoiced, a contract asset is recognised. If the amounts invoiced exceed the value of the services rendered, a contract liability is recognised.

Distribution of IT products

Revenue from distribution of IT products is recognised at a point in time when control of the products has been transferred to the customer, being when the license of the products is delivered to the customer.

Industrial automation goods

Revenue from the sale of industrial automation goods is recognised at a point in time when control of the goods has been transferred, being when the goods are delivered to the customer.

Marketing and exhibition support services

Revenue from marketing and exhibition support services is recognised at a point in time when the services have been performed and rendered.

Digital media services

Revenue from digital media services is recognised over time based on the period when the services have been performed and rendered.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(f) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately under other income in profit or loss.

Government grants relating to assets are deducted against the carrying amount of the assets.

(g) Employee Benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Share-based compensation

The Group operates an equity-settled share-based compensation plan. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

(h) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(i) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(i) Income Tax (cont'd)

Deferred tax (cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where the current and deferred tax arises from the initial accounting for a business combination, the tax effect is taken into account in the accounting for the business combination.

(j) Property, Plant and Equipment

Measurement

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(j) Property, Plant and Equipment (cont'd)

Depreciation

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method.

The following useful lives are used in the calculation of depreciation:

Office properties	2 - 3 years
Computers	3 - 5 years
Furniture and fittings	5 years
Motor vehicle	8 years
Office equipment	5 years
Renovation	5 years
Media equipment	5 years

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year and adjusted as appropriate at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Subsequent expenditure

Subsequent expenditure related to property, plant and equipment that has been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(k) Intangible Assets

Intangible assets acquired separately are measured initially at cost. Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least once at each financial year-end.

The following useful lives are used in the calculation of amortisation:

Customer relationships	5 years
Software system	5 years

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in profit or loss when the intangible asset is derecognised.

(l) Impairment of Non-financial Assets

Goodwill

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated, from the acquisition date, to each of the Group's cash-generating units ("CGU") or groups of CGU, that are expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost of disposal and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(l) Impairment of Non-financial Assets (cont'd)

Goodwill (cont'd)

An impairment loss on goodwill is recognised in profit or loss and is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Other non-financial assets

Other non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any), on an individual asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are determined using the weighted average method.

The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Allowance is made for obsolete, slow moving and defective inventories.

(n) Financial Assets

Classification

i. Debt instruments

Financial assets that are debt instruments are classified into categories based on the Group's business model for managing them and their contractual cash flow characteristics.

- Financial Assets measured at Amortised Cost ("AC") comprise of assets that are held within a business model whose objective is to hold those assets for collection of contractual cash flows, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Other Comprehensive Income ("FVOCI") comprise of assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling those assets, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Profit and Loss ("FVPL") comprise of assets that do not qualify for AC and FVOCI. Assets that would otherwise qualify for AC or FVOCI may also be designated as FVPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that arises from measuring assets and liabilities on an inconsistent basis.

ii. Equity instruments

Financial assets that are equity instruments comprise mainly of investments in equity securities. The Group classifies these assets as FVPL, except for those that the Group has designated as FVOCI. The FVOCI designation is irrevocable, and is not permitted for held-for-trading financial assets and financial assets that represent contingent consideration in a business combination.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Classification (cont'd)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Initial measurement

Trade receivables that do not contain a significant financing component are initially recognised at their transaction price. Other financial assets are initially recognised at fair value, plus, for financial assets that are not at FVPL, transaction costs that are directly attributable to their acquisition. Transaction costs of financial assets at FVPL are expensed in profit and loss.

Subsequent measurement

i. Debt instruments

AC

These financial assets are subsequently measured at amortised cost using the effective interest method unless they are part of a designated hedging relationship. Impairment losses and reversals, interest income, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Interest income is based on the effective interest method which allocates interest income over the life of the financial asset based on an effective interest rate that discounts estimated future cash receipts to its gross carrying amount.

FVOCI

These financial assets are subsequently measured at fair value. Impairment losses and reversals, interest income based on the effective interest method, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Any remaining fair value movements are recorded in other comprehensive income.

FVPL

These financial assets are subsequently measured at fair value. All fair value movements are recorded in profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Subsequent measurement (cont'd)

ii. Equity instruments

Subsequent to initial recognition, all equity investments are measured at fair value. Changes in the fair value of FVPL equity investments are recognised in profit and loss, while changes in the fair value of FVOCI equity investments are recognised in other comprehensive income. All dividend income is recognised in profit and loss, except for dividends from FVOCI equity investments that clearly represent a recovery of the cost of investment.

Impairment

At each reporting date, the Group assesses expected credit losses ("ECL") on the following financial instruments:

- Financial assets that are debt instruments measured at AC and FVOCI;
- Contract assets; and
- Financial guarantee contracts.

ECL is a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all shortfalls between the cash flows due to the Group in accordance with contractual terms, and the cash flows that the Group actually expects to receive. ECL is discounted at the effective interest rate of the financial asset. The Group records allowances on financial assets based on either the:

- 12-month ECL – representing the ECL that results from default events that are possible within the 12 months after the reporting date (or the expected life of the instrument if shorter); or
- Lifetime ECL – representing the ECL that results from all possible default events over the expected life of the contract.

Simplified approach - Trade receivables and contract assets

For all trade receivables and contract assets, the Group adopts a simplified approach whereby an allowance for lifetime ECL is assessed upon initial recognition. The Group estimates lifetime ECL using a provision matrix based on historical credit loss experience, adjusted for various factors including debtor-specific factors, forward-looking information such as industry and economic forecasts, and others as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Impairment (cont'd)

General approach – All other financial instruments on which ECL assessment is required

For all other financial instruments on which ECL is assessed, an allowance for 12-month ECL is recorded upon initial recognition. The allowance is increased to lifetime ECL if the credit risk at each reporting date has increased significantly as compared to the credit risk at initial recognition. In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group considers all reasonable and supportable information that is relevant and available without undue cost or effort including both historical credit experience and forward-looking information.

The Group regards the following as events of default:

- events that make it unlikely for the borrower to repay in full unless the Group undertakes actions to recover the asset; or
- the financial instrument has become overdue in excess of 2 years.

Credit-impaired financial instruments

At each reporting date, the Group assesses whether a financial instrument on which ECL assessment is required has become credit-impaired. This is the case when one or more events have occurred that are considered to be detrimental to the estimated future cash flows of the instrument. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- other lenders granting concessions to the borrower due to economic or contractual reasons, that would not have been considered in the absence of the borrower's financial difficulty;
- increasing likelihood that the borrower will enter bankruptcy or other financial re-organisation; and
- the disappearance of an active market for the borrower's securities due to financial difficulties.

For credit-impaired financial assets, interest income is determined by applying the effective interest rate to the net carrying amount of the financial asset (after deduction of the ECL allowance).

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Impairment (cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, such as when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the profit and loss.

Recognition and derecognition

Financial assets are recognised when, and only when the Group becomes a party to its contractual provisions. All regular way purchases and sales of financial assets are recognised on trade-date, which is the date on which the Group commits to purchase or sell the financial asset.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset that is a debt instrument, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. In addition, for a financial asset that is a debt instrument at FVOCI, the cumulative gain or loss previously accumulated in the fair value adjustment reserve is reclassified to profit and loss.

On derecognition of an equity investment at FVPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. For equity investments at FVOCI, this difference is instead recognised directly in equity as part of retained earnings. Cumulative gains and losses previously accumulated in equity are also transferred directly to retained earnings upon derecognition of FVOCI equity investments.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(o) Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, and deposits with financial institutions (exclude bank deposits with a maturity of more than 3 months) which are subject to an insignificant risk of change in value.

(p) Financial Liabilities

Financial liabilities

The Group recognises financial liabilities on its consolidated statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instruments.

Financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial liability. All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least twelve months after the reporting period.

Financial liabilities at FVPL

Financial liability that is a contingent consideration of an acquirer in a business combination to which SFRS(I) 3 applies is classified as financial liabilities at FVPL. Financial liabilities at FVPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they have expired. The difference between the carrying amount of a financial liability that has been derecognised and the consideration paid and payable (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(q) Offsetting of Financial Assets and Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the financial assets and settle the financial liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(r) Leases

When the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right-of-use assets (except for those which meets the definition of an investment property) in "Property, plant and equipment" and lease liabilities in "Loans and borrowings" in the consolidated statement of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if it is reasonably certain to exercise the option; and
- payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(r) Leases (cont'd)

When the Group is the lessee (cont'd)

Lease liabilities are measured at amortised cost, and are remeasured when:

- there is a change in future lease payments arising from changes in an index or rate;
- there is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- there is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

Short-term leases and leases of low-value assets

The Group applies the exemption for all short-term leases (up to 12 months) and low-value assets on a lease-by-lease basis. All lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(t) Financial Guarantees

Financial guarantees in the separate financial statements

The Company has issued corporate guarantees to a bank for bank borrowings of its subsidiary. These guarantees are financial guarantees as they require the Company to reimburse the bank if the subsidiary fails to make principal or interest payments when due in accordance with the terms of the bank borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantees are measured initially at their fair values plus transaction costs and subsequently measured at the higher of:

- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- the amount of loss allowance determined in accordance with expected credit loss model under SFRS(I) 9.

(u) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are charged to equity.

(v) Dividends to Company's Shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

(w) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive management whose members are responsible for allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(x) Related Parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the “reporting entity”).

- a. A person or a close member of that person’s family is related to a reporting entity if that person:
 - i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. An entity is related to a reporting entity if any of the following conditions applies:
 - i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - iii. both entities are joint ventures of the same third party;
 - iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - v. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - vi. the entity is controlled or jointly controlled by a person identified in (a);
 - vii. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

4 Significant Accounting Policies (cont'd)

(y) Non-current assets (or disposal group) classified as held for sale

Non-current assets or disposal groups are classified as held for sale or distribution if their carrying amount will be recovered through a sale transaction or distribution rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria set out above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale. Non-current assets (or disposal groups) classified as held for sale (held for distribution) are measured at the lower of the assets' previous carrying amount and fair value less cost to sell (fair value less costs to distribute).

The assets are not depreciated or amortised while they are classified as held-for-sale. In addition, equity accounting of associates and joint ventures ceases once classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in Note 4, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (cont'd)

(a) Critical judgements in applying accounting policies

Other than the going concern assumption as disclosed in Note 2, in the process of applying the Group's accounting policies, the application of judgements that are expected to have a significant effect on the amounts recognised in the financial statements are as disclosed below.

Revenue recognition for service contracts

The Group provides professional Information Technology ("IT") services, including sales of hardware and/or software products as required under the relevant contract terms. Revenue from service contracts is recognised over time based on the delivery of the milestones promised under the service contract. Management has assessed that the delivery of contract milestone is representative of the goods or services that are transferred to the customer promised under the service contract.

Further details of the Group's revenue from service contracts are disclosed in Note 6(a).

(b) Key sources of estimation uncertainty

Loss allowance for trade receivables and contract assets

The Group measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime expected credit losses ("ECLs"). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables based on characteristics which have historically influenced asset recoverability, such as credit ratings, customer-industry group and customer geography, and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns. In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical default rates are updated and the impact of forward-looking information is re-analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. Information about the ECLs on the Group's trade receivables and contract assets are set out in Notes 18 and 29(a).

The carrying amounts of the Group's trade receivables and contract assets at the reporting date are disclosed in Note 18 and Note 6(b), respectively.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use ("VIU") of the cash-generating units ("CGUs") to which goodwill has been allocated. The VIU calculations require the estimation of future cash flows that are expected to arise from the CGUs, discount rates and other variables.

The carrying amount of the Group's goodwill and the impairment loss recognised at the reporting date are disclosed in Note 14.

Impairment of property, plant and equipment

Management reviews the Group's property, plant and equipment ("PPE") at each reporting date to determine whether there is any indication that the PPE may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amounts of the PPE are determined based on the value in use ("VIU") of the relevant cash-generating unit ("CGU") or group of CGUs. The VIU calculations require the estimation of future cash flows that are expected to arise from the CGUs, discount rates and other variables. The key assumptions used in the estimation of the VIU including the sensitivity analysis are disclosed in Note 13.

The carrying amounts of the Group's PPE, and the allowance for impairment loss recognised at the reporting date are disclosed in Note 13.

Impairment of intangible assets

Management reviews the Group's intangible assets ("IA") at each reporting date to determine whether there is any indication that the IA may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amounts of the IA are determined based on the value in use ("VIU") of the relevant cash-generating unit ("CGU") or group of CGUs. The VIU calculations require the estimation of future cash flows that are expected to arise from the CGUs, discount rates and other variables.

The carrying amount of the Group's IA, and the allowance for impairment loss recognised at the reporting date are disclosed in Note 15.

Impairment of investment in subsidiaries

Management reviews the Company's investment in subsidiaries at each reporting date to determine whether there is any indication that the investment may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amounts of the investment are determined based on the value in use ("VIU") of the relevant cash-generating unit ("CGU") or group of CGUs. The VIU calculations require the estimation of future cash flows that are expected to arise from the CGUs, discount rates and other variables. The key assumptions used in the estimation of the VIU including the sensitivity analysis are disclosed in Note 16(e).

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

Impairment of investment in subsidiaries (cont'd)

The carrying amounts of the Company's investment in subsidiaries, and the allowance for impairment loss recognised at the reporting date are disclosed in Note 16(e).

Provision for ongoing legal proceedings

The Company exercises judgment in measuring and recognising provisions and the exposure to contingent liabilities in relation to the ongoing legal proceedings disclosed in Note 32(b). Judgement is necessary in assessing the likelihood that the ongoing legal proceedings will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision, if any. Further details of the ongoing legal proceedings are disclosed in Note 32(b).

6 Revenue from Contracts with Customers

(a) Disaggregation of revenue from contracts with customers

The Group's revenue is derived wholly from Singapore and is disaggregated by various product and services lines and timing of revenue recognition.

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Revenue from service contracts – Over time	3,250,497	2,634,615
Revenue from distribution of IT products – At a point in time	2,212,842	1,472,813
Revenue from sale of industrial automation goods	240,790	1,040,067
– At a point in time		
Revenue from marketing and exhibition support services	-	181,034
– At a point in time		
Revenue from digital media services – Over time	2,619,831	2,200,480
	<u>8,323,960</u>	<u>7,529,009</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

6 Revenue from Contracts with Customers (cont'd)

(b) Contract balances

	<u>2022</u> S\$	Group <u>2021</u> S\$	<u>1 January 2021</u> S\$
<u>Contract assets</u>			
Service contracts	8,671	230,749	458,783
IT products	847,755	-	-
Less: Loss allowance	-	(325)	(14,818)
	<u>856,426</u>	<u>230,424</u>	<u>443,965</u>
<u>Contract liabilities</u>			
Service contracts	<u>376,577</u>	<u>369,896</u>	<u>233,905</u>

Contract assets relate to service contracts and IT products representing the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to the customer.

Contract liabilities relate to the Group's obligation to transfer goods or services to customer for which the Group has yet to transfer the goods or services to the customer promised in the service contracts but billed at the reporting date. Contract liabilities are recognised as revenue as the Group performs under the service contracts.

Significant changes in contract assets and contract liabilities balances during the financial year are disclosed as follows:

	Group <u>2022</u> S\$	<u>2021</u> S\$
<u>Contract assets</u>		
Contract assets reclassified to trade receivables	(154,888)	(413,923)
Performance obligations have been satisfied but not billed at reporting date	780,565	185,889
Reversal of impairment loss on contract assets (Note 18)	<u>325</u>	<u>14,493</u>
<u>Contract liabilities</u>		
Contract liabilities recognised as revenue	(369,286)	(172,595)
Performance obligations have not been satisfied but billed during the financial year	603,097	347,396
Disposal of a subsidiary (Note 16(d))	<u>(227,130)</u>	<u>(38,810)</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

7 Other Income

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Interest income	362	2,745
Government grants	193,010	387,949
Operating lease rental income - investment property	-	17,400
Gain on disposal of investment property	534,501	-
Gain on disposal of a subsidiary	62,824	-
Gain on subsidiaries struck off	2,605	-
Fair value gain on contingent consideration payable	-	1,026,744
Reversal of allowance for inventory obsolescence	123,153	-
Miscellaneous income	14,712	50,361
	<u>931,167</u>	<u>1,485,199</u>

8 Salaries and Employees' Benefits

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Salaries and bonuses*	3,273,465	4,102,336
Contributions to defined contribution plans*	348,400	436,561
Directors' fees*	110,000	108,808
Other staff related costs	39,006	29,903
	<u>3,770,871</u>	<u>4,677,608</u>

* Included in the amounts disclosed above are directors and key management personnel remuneration as disclosed in Note 28.

9 Finance Costs

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Interest on bank borrowings	50,082	50,559
Interest on lease liabilities	21,296	37,262
	<u>71,378</u>	<u>87,821</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

10 Loss before Income Tax

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
The following items have been included in arriving at loss before income tax:		
Audit fees – auditors of the Company	79,000	87,000
Non-audit fees – auditors of the Company	-	-
Loss on disposal of property, plant and equipment	2,928	-
Loss on disposal of a subsidiary	-	29,161
Loss on subsidiaries struck off	1,000	-
Property, plant and equipment written off	62,284	-
Allowance for inventory obsolescence	-	11,025
Foreign exchange loss, net	57,050	4,261
Consultancy fees	473,640	-
Legal and professional fees	453,420	293,161

11 Income Tax

(a) Current income tax

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Current income tax:		
Under provision in respect of prior years	10,340	221
Deferred tax:		
Deferred tax expense relating to the reversal temporary differences (Note 11(b))	(83,750)	(22,335)
	<u>(73,410)</u>	<u>(22,114)</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

11 Income Tax (cont'd)

(a) Current income tax (cont'd)

A reconciliation between income tax and the product of accounting loss multiplied by the applicable corporate tax rate for the financial year is as follows:

	<u>2022</u> S\$	<u>2021</u> S\$
Loss before income tax	(4,509,795)	(2,217,847)
Income tax using the statutory tax rate of 17% (2021: 17%)	(766,665)	(377,034)
Effects of:		
Non-deductible expenses*	526,582	304,442
Income not subject to tax	(102,872)	(177,394)
Deferred tax benefits not recognised	259,205	227,651
Under provision in respect of prior years	10,340	221
	<u>(73,410)</u>	<u>(22,114)</u>

* Mainly related to impairment of goodwill and intangible assets for the current reporting period.

Deferred tax assets are recognised for unutilised tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unutilised tax losses, capital allowances and other temporary differences of approximately S\$1,303,000 (2021: S\$1,219,000), S\$1,070,000 (2021: Nil) and S\$382,000 (2021: S\$11,000), respectively, at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain provisions of the relevant tax regulations. The unutilised tax losses and capital allowances have no expiry date. The related deferred tax benefits of these unutilised tax losses, capital allowances and other temporary differences amounted to approximately S\$221,000 (2021: S\$207,000), S\$182,000 (2021: Nil) and S\$65,000 (2021: S\$2,000), respectively, have not been recognised in the financial statements at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

11 Income Tax (cont'd)

(b) Deferred tax liabilities

Deferred tax liabilities arise from the following:

	At 1 January S\$	(Credited) to profit or loss S\$	At 31 December S\$
Group			
2022			
Temporary differences:			
- Intangible assets	83,750	(83,750)	-
2021			
Temporary differences:			
- Intangible assets	106,085	(22,335)	83,750

12 Loss per Share

Basic/Diluted loss per share is calculated by dividing the net loss attributable to equity owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The loss and weighted average number of ordinary shares used in the calculation of basic/diluted loss per share are as follows:

	Group	
	<u>2022</u>	<u>2021</u>
Loss for the year attributable to equity owners of the Company (S\$)	(4,372,488)	(1,932,879)
Weighted average number of ordinary shares in issue applicable to basic/diluted loss per share	167,499,937	167,499,937
Basic/Diluted loss per share (cents per share)	(2.61)	(1.15)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

13 Property, Plant and Equipment

Group	Office properties	Computers	Furniture and fittings	Office equipment	Renovation	Media equipment	Total
2022	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<u>Cost</u>							
At 1 January 2022	886,000	468,966	42,186	226,857	195,905	2,674,084	4,493,998
Additions	-	12,205	-	-	-	596,784	608,989
Disposals	-	-	(7,313)	(860)	(17,890)	-	(26,063)
Write off	(200,642)	(60,316)	-	-	-	(197,772)	(458,730)
Disposal of a subsidiary (Note 16(d))	(116,047)	(13,570)	-	(126,319)	(900)	-	(256,836)
At 31 December 2022	569,311	407,285	34,873	99,678	177,115	3,073,096	4,361,358
<u>Accumulated depreciation and impairment losses</u>							
At 1 January 2022	393,778	164,898	10,135	127,204	47,410	242,913	986,338
Depreciation charge	264,883	82,507	9,411	26,931	106,419	669,493	1,159,644
Disposals	-	-	(4,876)	(573)	(11,926)	-	(17,375)
Impairment loss recognised	-	-	-	-	-	1,336,524	1,336,524
Write off	(138,104)	(48,343)	-	-	-	(147,461)	(333,908)
Disposal of a subsidiary (Note 16(d))	(116,047)	(4,972)	-	(57,825)	(210)	-	(179,054)
At 31 December 2022	404,510	194,090	14,670	95,737	141,693	2,101,469	2,952,169
<u>Net book value</u>							
At 31 December 2022	164,801	213,195	20,203	3,941	35,422	971,627	1,409,189

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

13 Property, Plant and Equipment (cont'd)

Group	Office properties	Computers	Furniture and fittings	Motor vehicle	Office equipment	Renovation	Media equipment	Total
2021	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<u>Cost</u>								
At 1 January 2021	963,293	493,480	32,802	92,923	221,337	177,115	345,614	2,326,564
Additions	22,195	84,928	9,384	-	6,920	18,790	2,328,470	2,470,687
Write off	(17,774)	-	-	-	-	-	-	(17,774)
Disposal of a subsidiary (Note 16(d))	(81,714)	(109,442)	-	(92,923)	(1,400)	-	-	(285,479)
At 31 December 2021	886,000	468,966	42,186	-	226,857	195,905	2,674,084	4,493,998
<u>Accumulated depreciation</u>								
At 1 January 2021	140,080	182,719	980	66,788	69,178	5,904	20,300	485,949
Depreciation charge	329,352	72,606	9,155	7,744	58,119	41,506	222,613	741,095
Write off	(17,774)	-	-	-	-	-	-	(17,774)
Disposal of a subsidiary (Note 16(d))	(57,880)	(90,427)	-	(74,532)	(93)	-	-	(222,932)
At 31 December 2021	393,778	164,898	10,135	-	127,204	47,410	242,913	986,338
<u>Net book value</u>								
At 31 December 2021	492,222	304,068	32,051	-	99,653	148,495	2,431,171	3,507,660

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

13 Property, Plant and Equipment (cont'd)

Impairment testing

As at 31 December 2022, management performed impairment testing of the Group's property, plant and equipment, in relation to media equipment under the digital media networks segment, as there was indication of impairment. These media equipment amounted to approximately S\$2.31 million (before any impairment loss) as at year end.

The recoverable amounts of these CGUs have been determined based on value in use using cash flow forecasts. The key assumptions applied to the cash flow forecasts were the discount rate applied based on a risk-free rate adjusted for a market risk premium to reflect market risks and the risks specific to the relevant CGUs, forecasted revenue based on contracts secured, gross margins projected based on past performance.

Following the impairment testing, an impairment loss of S\$1,336,524 (2021: Nil) was recognised in the profit or loss of the Group in relation to these media equipment at the reporting date.

Sensitivity analysis

If the gross margin of the relevant CGUs is reduced by 1% on an annual basis or the discount rate is increased by 1%, it would not result in a material variance to the impairment loss recognised at the reporting date.

Assets pledged as security

Media equipment with a carrying amount of S\$971,627 (2021: S\$2,133,750) have been mortgaged to secure certain bank borrowings of the Group as disclosed in Note 25.

Right-of-use assets

Right-of-use of assets acquired under operating leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

14 Goodwill

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
At 1 January	1,666,655	3,316,655
Impairment loss recognised	(1,666,655)	(1,650,000)
At 31 December	-	1,666,655

Impairment testing

The goodwill arose from the acquisition of the Company's wholly owned subsidiary, PGK, in 2020. The goodwill is allocated entirely to the relevant cash-generating unit under digital media networks segment ("DMN CGU") for impairment testing.

2022

Under the impairment testing of the remaining carrying amount of the goodwill, management assessed that the initial factors which contributed to the goodwill no longer existed in the current operations of PGK, due to the resignations of the key management personnel (including the CEO) and staffs, closure of office and new business strategies developed by the current management. Accordingly, a full impairment loss of S\$1,666,655 was recognised in the profit or loss of the Group in relation to the remaining carrying amount of goodwill at the reporting date.

2021

The recoverable amount of the DMN CGU had been determined based on value in use using cash flow forecasts covering a five-year period. The discount rate applied to the cash flow forecasts, forecasted growth rates, budgeted gross margins, and the terminal growth rates used to extrapolate cash flow forecasts beyond the five-year period, were as below.

- (i) Revenue growth was projected based on contracts secured with customers and forecasted demand with reference to past revenues earned and adjusted for forward-looking economic conditions.
- (ii) Terminal growth rate of 2.5% used which did not exceed the industry long-term forecast growth rate based on published reports.
- (iii) Discount rate of 10% used was determined based on a risk-free rate adjusted for a market risk premium to reflect market risks and the risks specific to the DMN CGU.

Following the impairment testing, an impairment loss of S\$1,650,000 was recognised in the profit or loss of the Group in relation to the goodwill at the reporting date then.

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For The Financial Year Ended 31 December 2022

15 Intangible Assets

	<u>Customer relationships</u> S\$	<u>Software system</u> S\$	<u>Total</u> S\$
Group			
2022			
<u>Cost</u>			
At 1 January 2022 and 31 December 2022	469,621	187,252	656,873
<u>Accumulated amortisation and impairment losses</u>			
At 1 January 2022	117,406	46,814	164,220
Amortisation charge	93,925	37,451	131,376
Impairment loss recognised	258,290	102,987	361,277
At 31 December 2022	469,621	187,252	656,873
<u>Net book value</u>			
At 31 December 2022	-	-	-
2021			
<u>Cost</u>			
At 1 January 2021 and 31 December 2021	469,621	187,252	656,873
<u>Accumulated amortisation</u>			
At 1 January 2021	23,481	9,363	32,844
Amortisation charge	93,925	37,451	131,376
At 31 December 2021	117,406	46,814	164,220
<u>Net book value</u>			
At 31 December 2021	352,215	140,438	492,653
<u>Impairment testing</u>			

Customer relationships and software system arose from the acquisition of the Company's wholly owned subsidiary, PGK, in 2020. These intangible assets are allocated entirely to the relevant cash-generating unit ("PGK CGU") under digital media networks segment for impairment testing.

At the reporting date, management performed an impairment testing of the remaining carrying amount of intangible assets as there was indication of impairment. Under the impairment testing, management assessed that the initial factors which contributed to the intangible assets no longer existed in the current operations of PGK, due to the resignations of the key management personnel (including the CEO) and staffs, closure of office and new business strategies developed by the current management. Accordingly, a full impairment loss of S\$361,277 (2021: Nil) was recognised in the profit or loss of the Group in relation to the remaining carrying amount of the intangible assets at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

16 Investment in Subsidiaries

	Company	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
<u>Unquoted equity shares, at cost</u>		
At 1 January	47,429,650	47,460,250
Capital reduction (Note (b))	(233,750)	-
Capital injection (Note (c))	1,500,000	-
Disposal of a subsidiary (Note (d))	(566,500)	(30,600)
Subsidiaries struck off	(18,670)	-
	48,110,730	47,429,650
Less: Allowance for impairment loss (Note (e))	(47,495,177)	(39,850,000)
At 31 December	615,553	7,579,650

(a) Details of the subsidiaries at the end of the reporting period are set out below.

<u>Name of subsidiary</u>	<u>Country of incorporation and principal place of business</u>	<u>Principal activities</u>	<u>Proportion of ownership interest held</u>	
			<u>2022</u> %	<u>2021</u> %
<u>Held by the Company</u>				
Revez International Pte. Ltd. ⁽¹⁾	Singapore	Investment holding	-	100
Revez Motion Pte. Ltd. (“RM”) ⁽²⁾	Singapore	Design and develop immersive and interactive multimedia solutions	100	100
IOIO Lab Pte. Ltd. (“IOIO”) ⁽¹⁾	Singapore	Design and develop Information Technology, Software as a Service (SaaS), and immersive and interactive multimedia on-ground solutions	-	80
AIAC Pte. Ltd. (“AIAC”) ⁽³⁾	Singapore	Engineering consultancy and robotics solutions	-	55
PGK Digital Networks Pte. Ltd. (“PGK”) ⁽²⁾	Singapore	Media owner and operator of digital media networks, digital out-of-home (DOOH) advertising networks and digital sport networks	100	100

(1) The subsidiaries have applied to be struck off during the financial year. These subsidiaries are considered as insignificant entities of the Group.

(2) Audited by Moore Stephens LLP.

(3) The subsidiary was disposed of during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

16 Investment in Subsidiaries (cont'd)

(b) Capital reduction

On 13 January 2022, the Company's 55% owned subsidiary, AIAC, completed its capital reduction exercise and returned the excess capital of S\$233,750 in cash to the Company and S\$191,250 (comprising inventories of S\$177,347 and cash of S\$13,903) to the non-controlling interests.

(c) Capital injection

On 30 November 2022, the Company injected an additional capital of S\$1,500,000 to its wholly owned subsidiary, RM, fully paid in cash. This was to streamline the management of the Group's funds, earmark funds for settlement of the Group's bank borrowings and increase the share capital of RM to enhance its ability to bid for government projects.

(d) Disposal of a subsidiary

2022

On 4 July 2022, the Company disposed of its 55% owned subsidiary, AIAC, for a cash consideration of S\$200,000. The cash consideration is payable in the following manner:

- (i) Upon signing the share transfer agreement, a down payment sum of S\$100,000 will be paid to the Company; and
- (ii) The remaining balance of S\$100,000 will be paid to the Company in 24-month instalments commencing from September 2022.

	Group S\$
<u>Analysis of asset and liabilities over which control was lost</u>	
Property, plant and equipment (Note 13)	77,782
Inventories	30,446
Trade and other receivables	458,494
Cash and bank balances	29,963
Trade and other payables	(100,243)
Contract liabilities (Note 6(b))	(227,130)
Less: Non-controlling interests	(132,136)
Net assets disposed of	<u>137,176</u>
	Group S\$
<u>Gain on disposal of a subsidiary</u>	
Total cash consideration payable	200,000
Net assets disposed of	(137,176)
Gain on disposal of a subsidiary (Note 7)	<u>62,824</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

16 Investment in Subsidiaries (cont'd)

(d) Disposal of a subsidiary (cont'd)

2022 (cont'd)

	Group S\$
<u>The aggregate cash inflow arising from disposal of a subsidiary</u>	
Consideration received in cash*	116,667
Less: Cash and cash equivalents disposed of	(29,963)
Net cash inflow on disposal of a subsidiary	<u>86,704</u>

* The remaining consideration of S\$83,333 is included in the Group's/Company's other receivables (Note 18).

2021

On 31 August 2021, the Company had disposed of its 51% owned subsidiary, Newood Design Pte. Ltd., for a cash consideration of S\$15,000.

	Group S\$
<u>Analysis of asset and liabilities over which control was lost</u>	
Property, plant and equipment (Note 13)	62,547
Inventories	2,065
Trade and other receivables	83,786
Cash and bank balances	29,511
Trade and other payables	(27,783)
Lease liabilities	(24,725)
Contract liabilities (Note 6(b))	(38,810)
Less: Non-controlling interests	(42,430)
Net assets disposed of	<u>44,161</u>

	Group S\$
<u>Loss on disposal of a subsidiary</u>	
Consideration received in cash	15,000
Net assets disposed of	(44,161)
Loss on disposal of a subsidiary	<u>(29,161)</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

16 Investment in Subsidiaries (cont'd)

(d) Disposal of a subsidiary (cont'd)

2021 (cont'd)

	Group S\$
<u>The aggregate cash outflow arising from disposal of a subsidiary</u>	
Consideration received in cash	15,000
Less: Cash and cash equivalents in a subsidiary disposed of	<u>(29,511)</u>
Net cash outflow on disposal of a subsidiary	<u><u>(14,511)</u></u>

(e) Impairment testing

At the reporting date, the Company's investments in RM and PGK were tested for impairment as there was indication of impairment. The investments in RM and PGK represent 100% (2021: approximately 98%) of the gross balance of the Company's investment in subsidiaries at the reporting date.

The recoverable amounts of these cash-generating units ("RM CGU" and "PGK CGU") have been determined based on value in use calculations using cash flow forecasts covering a five-year period. The discount rate applied to the cash flow forecasts, forecasted revenue growth rate and the terminal growth rate used to extrapolate cash flow forecasts beyond the five-year period are disclosed below.

RM CGU

- (i) Revenue growth is projected based on forecasted demand with reference to past revenues earned and adjusted for forward-looking economic conditions.
- (ii) Terminal growth rate of 1% (2021: 2.5%) has been used which does not exceed the industry long-term forecast growth rate based on published reports.
- (iii) Discount rate of 12% (2021: 10%) used was determined based on a risk-free rate adjusted for a market risk premium to reflect market risks and the risks specific to the RM CGU.

PGK CGU

- (i) Revenue growth is projected based on forecasted demand with reference to past revenues earned and adjusted for forward-looking economic conditions.
- (ii) Terminal growth rate of 1% (2021: 2.5%) has been used which does not exceed the industry long-term forecast growth rate based on published reports.
- (iii) Discount rate of 10% (2021: 10%) used was determined based on a risk-free rate adjusted for a market risk premium to reflect market risks and the risks specific to the PGK CGU.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

16 Investment in Subsidiaries (cont'd)

(e) Impairment testing (cont'd)

Following the impairment testing, the Company recognised an additional allowance for impairment loss of approximately S\$3.65 million (2021: S\$30.55 million) for the investment in RM and a full impairment loss of S\$4 million (2021: Nil) for the investment in PGK at the reporting date. The impairment losses have no impact on the consolidated financial statements of the Group.

Sensitivity analysis

If the discount rate is increased by 1%, it would not result in a material variance to the impairment loss recognised at the reporting date (2021: the additional impairment loss recognised for the investment in RM at the reporting date will increase by approximately 2%).

No sensitivity analysis is disclosed for PGK CGU, as the investment in PGK is fully impaired at the reporting date.

17 Inventories

	<u>2022</u> S\$	Group <u>2021</u> S\$
Work in progress, at cost	-	77,618
Finished goods, at cost and net of allowance for inventory obsolescence	-	54,469
	-	132,087

As disclosed in Note 16(b), inventories amounted to S\$177,347 was returned as part of the excess capital to the non-controlling interests on completion of the capital reduction exercise of a subsidiary of the Company. Following the inventory return, the Group reversed the related allowance for inventory obsolescence amounted to S\$123,153 recognised in the profit or loss of the Group as disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

18 Trade and Other Receivables

	Group		Company	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	S\$	S\$	S\$	S\$
Trade receivables:				
- third parties	2,219,407	1,098,058	-	-
Less: Loss allowance	(494,207)	(119,620)	-	-
	1,725,200	978,438	-	-
Other receivables:				
- third parties	91,993	2,899	86,233	2,900
Amounts due from subsidiaries	-	-	1,341,342	1,130,000
Less: Loss allowance	-	-	(1,341,342)	-
	-	-	-	1,130,000
Government grant receivables	-	153,960	-	-
Deposits	94,867	125,647	-	-
	186,860	282,506	86,233	1,132,900
GST receivables	27,492	12,846	11,467	-
Prepayments	302,612	301,574	45,356	6,900
	2,242,164	1,575,364	143,056	1,139,800
Presented as:				
Non-current	-	-	-	604,624
Current	2,242,164	1,575,364	143,056	535,176
	2,242,164	1,575,364	143,056	1,139,800

Trade receivables are unsecured, non-interest bearing and have an average credit term of 30 days.

Included in the Group's/Company's other receivables is an amount of S\$83,333 (2021: Nil) in relation to the remaining cash consideration receivable for the disposal of a subsidiary (Note 16(d)).

The amounts due from subsidiaries are non-trade in nature, unsecured, interest-free, and repayable on demand and are to be settled in cash, except for amounts totalling S\$1,330,826 (2021: S\$1,000,000) which is repayable between 3 to 48 months (2021: 11 to 48 months) from the date of the draw down and bear a fixed interest of 2% per annum. Management assessed the amounts due from subsidiaries are unlikely to be recovered based on the financial performance and/or financial position of the relevant subsidiaries, and accordingly, has fully impaired the amounts due at the reporting date.

Prepayments mainly relate to prepaid license fee and project related costs.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

18 Trade and Other Receivables (cont'd)

The Group's credit risk exposure in relation to trade receivables and contract assets, grouped by operating segments, are set out in the provision matrix as presented below.

		Past due					
		Within 30 days	31 to 60 days	61 to 90 days	91 to 120 days	More than 120 days	Total
	Current S\$	S\$	S\$	S\$	S\$	S\$	S\$
Group							
2022							
<i>IT Solutions</i>							
Expected loss rate	1.57%	3.79%	14.16%	27.48%	50.01%	100%	
Trade receivables	1,042,397	84,742	12,030	-	156,591	254,687*	1,550,447
Contract assets	847,755	-	-	-	-	-	847,755
Loss allowance:	111,159	3,212	1,704	-	78,311	200,996	395,382
Loss allowance**	28,439	3,212	1,704	-	78,311	8,935	120,601
Credit-impaired	82,720	-	-	-	-	192,061	274,781
<i>Digital media networks</i>							
Expected loss rate	0.42%	3.66%	5.59%	29.78%	50.01%	76.62%	
Trade receivables	241,118	200,697	25,921	57,644	52,699***	90,881	668,960
Contract assets	8,671	-	-	-	-	-	8,671
Loss allowance	1,053	7,353	1,449	17,166	2,167	69,637	98,825
2021							
<i>IT Solutions</i>							
Expected loss rate	3.05%	3.79%	14.16%	27.48%	50.00%	100%	
Trade receivables	236,742	88,170	56,171	224,133	10,696	-	615,912
Contract assets	174,408	-	-	-	-	-	174,408
Loss allowance	12,550	3,339	7,952	61,596	5,348	-	90,785
<i>Digital media networks</i>							
Expected loss rate	0.40%	3.55%	5.59%	29.78%	50.01%	100%	
Trade receivables	245,174	124,354	48,953	54,570	9,095	-	482,146
Contract assets	56,341	-	-	-	-	-	56,341
Loss allowance	1,208	4,415	2,736	16,253	4,548	-	29,160

* Trade receivables of S\$53,691 were fully collected subsequent to the financial year end. Accordingly, no loss allowance is recognised for these amounts.

** Loss allowance – lifetime ECL was computed based on trade receivables plus contract assets minus loss allowance – credit-impaired, and multiplied by the expected loss rate.

*** Trade receivables of S\$48,365 were fully collected subsequent to the financial year end. Accordingly, no loss allowance is recognised for these amounts.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

18 Trade and Other Receivables (cont'd)

The movements in the allowance for impairment loss of trade receivables and contract assets during the financial year are as follows:

	Trade receivables S\$	Contract assets S\$	Total S\$
Group			
At 1 January 2021	53,173	14,818	67,991
Impairment loss/(Reversal of impairment loss) recognised during the year	72,325	(14,493)	57,832
Disposal of a subsidiary	(5,878)	-	(5,878)
At 31 December 2021	119,620	325	119,945
Impairment loss/(Reversal of impairment loss) recognised during the year	374,824	(325)	374,499
Disposal of a subsidiary	(237)	-	(237)
At 31 December 2022	494,207	-	494,207

19 Cash and Bank Balances

	Group		Company	
	<u>2022</u> S\$	<u>2021</u> S\$	<u>2022</u> S\$	<u>2021</u> S\$
Cash at bank	1,806,945	1,515,878	70,315	73,026
Short-term deposits	-	1,800,000	-	1,800,000
Cash on hand	-	1,500	-	-
Cash and cash equivalents per consolidated statement of cash flows	1,806,945	3,317,378	70,315	1,873,026

As at 31 December 2021, short-term deposits were made for a fixed period of one month, depending on the immediate cash requirements of the Group, and earned a fixed interest at 0.05% per annum.

NOTES TO THE FINANCIAL STATEMENTS

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20 Non-current Asset Classified as Held-for-Sale

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Investment property	-	615,499

In August 2021, the directors of the Company had approved the sale of the Group's investment property. Accordingly, the Group had reclassified its investment property as "Non-current asset classified as held for sale".

Information regarding the investment property was as follows:

<u>Description and location</u>	<u>Tenure</u>	<u>Use</u>
Factory premise located at 18 Howard Road, #09-05, Singapore 369585	Freehold	Commercial

The investment property which had been mortgaged to secure a bank borrowing of the Group (Note 25) was leased to a third party under an operating lease.

The property rental income earned by the Group from its investment property, all of which was leased out, amounted to S\$17,400 during the previous financial year. Direct operating expenses arose on the investment property for the previous financial year amounted to S\$7,302.

In November 2021, the Group had granted external purchasers an option to purchase the investment property at the agreed sale price of S\$1.15 million, and the option had been exercised by the external purchasers in the same month. The disposal of the Group's investment property was completed in February 2022. Following the disposal, the Group recognised a gain on disposal of investment property of S\$534,501 in the profit or loss of the Group as disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

21 Share Capital

	<u>2022</u>		<u>2021</u>	
	Number of	S\$	Number of	S\$
	ordinary shares		ordinary shares	
Group				
Issued and fully paid-up:				
At 1 January and				
31 December	167,499,937	18,713,062	167,499,937	18,713,062

The Group's share capital amount differed from that of the Company as a result of the reverse acquisition completed in May 2019. The equity structure (i.e. the number and types of equity instruments issued) reflected the equity structure of the Company, being the legal parent, including the equity instruments issued by the Company to reflect the reverse acquisition.

	<u>2022</u>		<u>2021</u>	
	Number of	S\$	Number of	S\$
	ordinary shares		ordinary shares	
Company				
Issued and fully paid-up:				
At 1 January and				
31 December	167,499,937	62,030,012	167,499,937	62,030,012

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 dividends as and when declared by the Company.

The Revez's Performance Share Plan (the "Share Plan")

The Group operates an equity-settled share-based compensation plan.

The Share Plan is a share incentive plan that contemplates the award of fully paid ordinary shares in the capital of the Company ("Share Awards") when and after predetermined performance or service conditions are accomplished and/or due recognition should be given to any good work performance and/or any significant contributions to the Company.

Since the commencement of the Share Plan till the end of the financial year, no Share Awards have been granted.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

22 Merger Reserve

Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which they were acquired by the Company and the purchase consideration paid by the Company for the acquisition using the principles of merger accounting applicable to business combination under common control.

23 Non-controlling Interests

The movements in the non-controlling interests during the financial year are set out in the consolidated statement of changes in equity of the Group.

Interest in a subsidiary with material non-controlling interests

As at 31 December 2021, the Group had the following subsidiary that has material non-controlling interests:

<u>Name of subsidiary</u>	<u>Country of incorporation and principal place of business</u>	<u>Proportion of ownership interests held by non-controlling interests</u> <u>2021</u> %	<u>Loss allocated to non-controlling interests</u> <u>2021</u> S\$	<u>Accumulated non-controlling interests</u> <u>2021</u> S\$
AIAC	Singapore	45	(174,281)	369,487
Individually immaterial subsidiaries with non-controlling interests				<u>24,360</u>
				<u>393,847</u>

NOTES TO THE FINANCIAL STATEMENTS

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24 Trade and Other Payables

	Group		Company	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	S\$	S\$	S\$	S\$
Trade payables - third parties	768,769	654,446	-	16,139
Other payables - third parties	21,803	63,808	21,803	-
Dividend payable to the former shareholder of a subsidiary	510,000	543,727	-	-
Accrued operating expenses	680,780	594,744	220,352	33,500
Accrued IT products cost	842,390	-	-	-
	<u>2,823,742</u>	<u>1,856,725</u>	<u>242,155</u>	<u>49,639</u>
GST payables	92,956	7,753	263	3,602
	<u>2,916,698</u>	<u>1,864,478</u>	<u>242,418</u>	<u>53,241</u>

Trade payables are unsecured, non-interest bearing and are settled on an average term of 30 days.

The dividend due and payable to the former shareholder of a subsidiary is unsecured, interest-free, and is to be settled in cash.

Accrued IT products cost refer to unbilled supplies that are outstanding at the reporting date. At the date of these financial statements, the Group has received the billings for these suppliers amounting to S\$71,058.

25 Loans and Borrowings

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
<u>Current liabilities</u>		
Lease liabilities (Note 27)	191,684	183,004
Bank borrowing – Term loan (Note (a))	260,562	251,611
Bank borrowing – Temporary bridging loan (Note (b))	240,352	208,333
Bank borrowing – Property loan (Note (c))	-	650,160
	<u>692,598</u>	<u>1,293,108</u>
<u>Non-current liabilities</u>		
Lease liabilities (Note 27)	-	357,264
Bank borrowing – Term loan (Note (a))	434,520	695,143
Bank borrowing – Temporary bridging loan (Note (b))	578,252	791,667
Bank borrowing – Property loan (Note (c))	-	-
	<u>1,012,772</u>	<u>1,844,074</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

25 Loans and Borrowings (cont'd)

(a) Bank borrowing – Term loan

The term loan is used to part finance the purchase of the Group's certain media equipment, which is repayable over 48 monthly installments and bears a fixed interest at 3.5% per annum.

The loan is secured by a first fixed and floating charge over the Group's media equipment as disclosed in Note 13 and a corporate guarantee of S\$1,305,000 provided by the Company.

(b) Bank borrowing – Temporary bridging loan

The temporary bridging loan is used for the Group's working capital requirements, which is repayable over 60 monthly installments and bears a fixed interest at 2% per annum.

The loan is secured by a corporate guarantee of S\$2,000,000 provided by the Company.

(c) Bank borrowing – Property loan

The property loan was repayable over 240 monthly installments and bears interest at 4.23% below the Bank's Commercial Financing Rate ("BCFR") for the 1st and 2nd year, 3.87% below the BCFR for the 3rd year and thereafter at 2.80% over the applicable 3-month Singapore Interbank Offered Rate ("SIBOR"). As at 31 December 2021, the 3-month SIBOR was 0.4375% per annum.

The loan was secured by a first legal mortgage over the Group's investment property (Note 20) and a corporate guarantee of S\$698,000 provided by the Company.

As disclosed in Note 20, following the Group's completion of the disposal of its investment property, the property loan and the corporate guarantee provided by the Company was fully repaid/discharged in February 2022.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

26 Other Financial Liabilities

	Group and Company	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
<u>Financial liabilities at fair value through profit or loss</u>		
Contingent consideration payable	-	1,600,000
Less: Change in fair value	-	(1,600,000)
	-	-

Pursuant to the terms and conditions of the acquisition of the Company's wholly owned subsidiary PGK, in 2020, the aggregate consideration included a contingent consideration payable of 4,599,815 of the Company's ordinary shares, with an aggregated value of S\$1.6 million (to be issued in various tranches), which becomes payable if PGK achieves certain threshold of net profit before tax ("Target NPBT"), over a 3-year period covering the financial years ended/ending 31 December 2021 to 2023.

Full details of the contingent consideration payable were set out in the relevant Company's announcement dated 30 September 2020.

Contingent consideration payable was remeasured at fair value at each reporting date, with changes recognised in the profit or loss. As at 31 December 2021, based on the analysis of PGK's current and historical financial performance and the financial projections from the expansion of the acquired business, the directors of the Company had considered that it was not probable that this contingent consideration payment will be required. Accordingly, the Group had recognised a fair value gain of the contingent consideration payable of S\$1,026,744 in the profit or loss of the Group at the end of the previous reporting period.

27 Lease Liabilities

The Group as lessee

(a) Nature of the Group's leasing activities

The Group has entered into leases of properties in respect of its offices. The Group is prohibited from selling, pledging or sub-leasing the underlying leased assets, and is required to maintain the assets in good condition. There are lease contracts that include extension options, which are further discussed below.

Extension options

The above leases include term extension option for which the Group has the right, but does not expect, to exercise. Accordingly, lease payments in the extension period have not been capitalised in the Group's right-of-use assets and lease liabilities. The options were negotiated to optimise the Group's future operational flexibility.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

27 Lease Liabilities (cont'd)

The Group as lessee (cont'd)

(a) Nature of the Group's leasing activities (cont'd)

Extension options (cont'd)

Potential future (undiscounted) cash outflows arising from the Group's lease contracts that have been excluded from the measurement of lease liabilities, as it is not reasonably certain that these leases would be extended, are as follows:

	Lease liabilities recognised S\$	Potential future (undiscounted) lease payments not included in lease liabilities S\$
Office properties	191,684	643,918

When estimating the lease term of the lease arrangement, management considers all facts and circumstances that create an economic incentive to exercise an extension option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the extension option. Extension option is only included in the lease term if the lease is reasonably certain to be extended.

(b) Carrying amount of right-of-use assets classified within property, plant and equipment

	Group	
	<u>2022</u> S\$	<u>2021</u> S\$
Office properties	164,801	492,222

There were no additions to right-of-use assets (2021: S\$22,195) during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

27 Lease Liabilities (cont'd)

The Group as lessee (cont'd)

(c) Amount recognised in profit or loss

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Depreciation charge for the year (included in depreciation of property, plant and equipment (Note 13)):		
- office properties	264,883	329,352
- motor vehicle	-	7,744
Interest on lease liabilities	21,296	37,262

(b) Other disclosures

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Total cash outflow for lease liabilities	303,589	321,833

28 Related Party Transactions

In addition to the related party information disclosed elsewhere in the financial statements, the Group entered into transactions with related parties during the financial year, on terms agreed between the parties, as shown below.

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Purchase of goods and services from a related party	-	1,285
Recharges of rental and utilities expenses by a related party	-	22,100

The related parties refer to those entities held by a director of a subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

28 Related Party Transactions (cont'd)

Compensation of key management personnel

The remuneration of the key management personnel of the Group during the financial year are as follows:

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Salaries and other short-term employee benefits	434,741	556,555
Contributions to defined contribution plans	38,088	53,929
Directors' fees paid/payable by the Company	110,000	108,808
	<u>582,829</u>	<u>719,292</u>
Comprised amounts paid/payable to:		
Directors of the Company	506,780	588,435
Other key management personnel	76,049	130,857
	<u>582,829</u>	<u>719,292</u>

Corporate guarantee

At the reporting date, the Company has granted corporate guarantees to banks for its subsidiaries' bank borrowings disclosed in Note 25 with outstanding balances totalling S\$1,513,686 (2021: S\$2,596,914). These corporate guarantees executed by the Company have not been recorded at fair value, as in the view of the management, the difference in the interest rates, by comparing the actual rates charged by the banks with these corporate guarantees made available, with the estimated rates that the banks would have charged had those corporate guarantees not been made available, is not material.

The corporate guarantees are subject to impairment assessment. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow loan obligations and henceforth does not expect significant credit losses arising from these corporate guarantees. Further, the Company's wholly owned subsidiary, RM, has agreed to irrevocably and unconditionally hold the Company fully and effectively indemnified with effect from 31 December 2022 against all losses and liabilities, which is sustained, incurred or paid by the Company directly as a result of or arising out of any claims or proceedings in the event of and to the extent the corporate guarantees is called upon by the banks owing to the non-repayment of the bank borrowings by the subsidiaries. The extent of indemnity will be proportionately reduced with the quantum of the bank borrowings repaid by the subsidiaries and will be fully discharged upon the full settlement of the bank borrowings.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments

Financial risk management

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The directors of the Company review and agree policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process. These risks include credit risk, foreign currency risk, interest rate risk and liquidity risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group and the Company. In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group generally do not require collateral. The Group reviews the recoverable amount of each trade receivable and debt investment on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts.

At the reporting date, the Group does not have significant credit risk exposure except for 8 (2021: 4) of the trade receivables from third parties accounted for approximately 65% (2021: 50%) of the total gross balance of trade receivables and based on geographical information provided by management is predominately attributed to Singapore. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings. The Group's maximum exposure to credit risk arises from the carrying amount of the respective recognised financial assets as present on the consolidated statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Financial risk management (cont'd)

(a) Credit risk (cont'd)

Trade receivables and contract assets

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables and contract assets. In measuring the expected credit losses, trade receivables and contract assets are grouped based on their shared credit risk characteristics and numbers of days past due. The contract assets have substantially the same risk characteristics as the trade receivables from the same type of customers. Therefore, the Group has concluded that the expected credit loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit losses on trade receivables and contract assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Further details on the loss allowance of the Group's credit risk exposure in relation to trade receivables and contract assets are disclosed in Note 18.

Write-off policy

Trade receivables and contract assets are written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 2 years past due, whichever occurs sooner. Where debt amounts are written off, the Group continues to engage in enforcement activity to attempt to recover the debt amounts due. Where recoveries are made, these are recognised in profit or loss.

During the financial year, the Group has no trade receivables written off (2021: S\$13,471).

Cash and bank balances and other financial assets

The cash and bank balances are entered into with banks and financial institutions that have high credit-ratings.

Impairment on cash and bank balances and other financial assets has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and bank balances and other financial assets have low credit risk based on the external credit ratings of the counterparties. The amount of the allowances on cash and bank balances and other financial assets were insignificant, except for the amounts due from subsidiaries which are fully impaired by the Company at the reporting date as disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Financial risk management (cont'd)

(a) Credit risk (cont'd)

Corporate guarantees

The Company has issued corporate to banks for its subsidiaries' bank borrowings. The Company does not expect significant credit losses arising from these corporate guarantees as disclosed in Note 28.

Credit risk grading guideline

The Group's management assesses the default risk of debtors using the following internal credit risk grading system:

Internal credit risk rating grades	Definition	Basis of recognition of expected credit loss (ECL)
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii. Under-performing	There has been a significant increase in credit risk since initial recognition.	Lifetime ECL (not credit-impaired)
iii. Non-performing	There is evidence indicating that the asset is credit-impaired.	Lifetime ECL (credit-impaired)
iv. Write-off	There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty.	Asset is written off

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Financial risk management (cont'd)

(a) Credit risk (cont'd)

Credit risk exposure

The credit quality of the Group's financial assets, as well as maximum exposure to credit risk by internal rating grades is presented as follows:

	Internal credit risk rating	ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
Group					
2022					
Trade receivables	Note 1	Lifetime ECL (Simplified)	1,944,626	(219,426)	1,725,200
Trade receivables	Non- performing	Lifetime ECL (credit-impaired)	274,781	(274,781)	-
			2,219,407	(494,207)	1,725,200
Contract assets	Note 1	Lifetime ECL (Simplified)	856,426	-	856,426
Other receivables	Performing	12-month ECL	186,860	-	186,860
2021					
Trade receivables	Note 1	Lifetime ECL (Simplified)	1,098,058	(119,620)	978,438
Contract assets	Note 1	Lifetime ECL (Simplified)	230,749	(325)	230,424
Other receivables	Performing	12-month ECL	282,506	-	282,506

Note 1 – The Group has applied the simplified approach to measure the loss allowance based on lifetime ECL. The details of the loss allowances for these financial assets are disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Financial risk management (cont'd)

(a) Credit risk (cont'd)

Credit risk exposure (cont'd)

The credit quality of the Company's financial assets, as well as maximum exposure to credit risk by internal rating grades is presented as follows:

	Internal credit risk rating	ECL	Gross carrying amount S\$	Loss allowance S\$	Net carrying amount S\$
Company					
2022					
Other receivables	Performing	12-month ECL	86,233	-	86,233
Amount due from subsidiaries	Non-performing	Lifetime ECL (credit-impaired)	1,341,342	(1,341,342)	-
2021					
Other receivables	Performing	12-month ECL	2,900	-	2,900
Amount due from subsidiaries	Performing	12-month ECL	1,130,000	-	1,130,000

(b) Foreign currency risk

The Group has transactional currency exposures arising from transactions denominated in currencies other than the functional currency of the entities of the Group. The foreign currency in which the Group's transactions are denominated and have exposure to foreign currency risk is primarily the United States Dollar ("USD").

The Group generally does not hedge foreign currency risk exposure using derivative financial instruments. The Group manages foreign currency risk by close monitoring of the timing of inception and settlement of the foreign currency transactions.

The carrying amounts of the Group's/Company's significant monetary assets and monetary liabilities, denominated in USD at the reporting date are not material. As such, no sensitivity analysis is disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Financial risk management (cont'd)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's/Company's exposure to interest rates risk arises primarily from their loans and borrowings and cash at banks. The Group's/Company's policy is to manage interest cost by maintaining an appropriate mix of fixed and floating rate borrowings.

Sensitivity analysis

The Group's bank borrowings interest rates are mainly floating rates. If the bank borrowings interest rates had been 100 basis points higher/lower and all variables were held constant, it would not result in a material variance to the Group's results for the financial year.

Management considers the Company's exposure to interest rate risk is insignificant.

(d) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting the financial obligations due to shortage of funds.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities. The Group's and the Company's objective is to maintain a balance of continuity of funding and flexibility through the use of bank borrowings, where required.

Further details on the Group's and the Company's ability to carry on as going concerns are disclosed in Note 2.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Financial risk management (cont'd)

(d) Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying <u>amount</u> S\$	Within one <u>year</u> S\$	Within two years and <u>five years</u> S\$	Total contractual <u>cash flow</u> S\$
Group				
2022				
Trade and other payables	2,823,742	2,823,742	-	2,823,742
Contract liabilities	376,577	376,577	-	376,577
Loans and borrowings	1,705,370	737,820	1,033,250	1,771,070
	<u>4,905,689</u>	<u>3,938,139</u>	<u>1,033,250</u>	<u>4,971,389</u>
2021				
Trade and other payables	1,856,725	1,856,725	-	1,856,725
Contract liabilities	369,896	369,896	-	369,896
Loans and borrowings	3,137,182	1,462,797	1,848,071	3,310,868
	<u>5,363,803</u>	<u>3,689,418</u>	<u>1,848,071</u>	<u>5,537,489</u>

The table below summarises the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	Carrying <u>amount</u> S\$	Within one <u>year</u> S\$	Within two years and <u>five years</u> S\$	Total contractual <u>cash flow</u> S\$
Company				
2022				
Trade and other payables	242,155	242,155	-	242,155
2021				
Trade and other payables	<u>49,639</u>	<u>49,639</u>	<u>-</u>	<u>49,639</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Financial risk management (cont'd)

(d) Liquidity risk (cont'd)

Corporate guarantees

The table below shows the maximum amount of the corporate guarantees that are allocated to the earliest period in which these corporate guarantees could be called.

	Carrying amount S\$	Within one year S\$	Within two years and five years S\$	Total contractual cash flow S\$
Company				
2022				
Corporate guarantees	-	-*	-	-
2021				
Corporate guarantees	-	2,596,914**	-	2,596,914

* As disclosed in Note 28, the Company's wholly owned subsidiary, RM, has undertaken to provide a full indemnity to the Company with effect from 31 December 2022 in the event and to the extent that the Company's corporate guarantees are called upon by the banks.

** The amount for corporate guarantees was the maximum amount the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

29 Financial Instruments (cont'd)

Capital risk management

The primary objective of the Group's capital management is to ensure it maintains healthy capital ratios in order to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from last year.

The Group is not subject to any externally imposed capital requirements.

Management reviews the capital structure of the Group and makes adjustment to it, in light of changes in economic conditions. The Group monitors capital using gearing ratio. The Group's debt comprises loans and borrowings (including lease liabilities). Capital includes all capital and reserves of the Group that are managed as capital.

	Group	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Debt	4,998,645	5,371,556
Cash and bank balances	(1,806,945)	(3,317,378)
Net debt	<u>3,191,700</u>	<u>2,054,178</u>
 Total capital	 <u>1,316,079</u>	 <u>5,688,567</u>
 Net debt to capital	 <u>2.43</u>	 <u>0.36</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

30 Fair Value Measurements

Fair value hierarchy

The Group categorizes fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

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

Information about the fair value measurement of the Group's non-current asset classified as held for sale at the end of the previous reporting period under the Fair Value Hierarchy was disclosed in Note 20.

The carrying amounts of the non-current loans and borrowings reasonably approximates their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

Management considers that the carrying amounts of other financial assets and financial liabilities reasonably approximate their fair values because they are mostly short term in nature.

31 Segment Information

The Group determines the operating segments based on the information reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of segment performance. The Group's reportable operating segments are therefore as follows:

- IT Solutions

IT Solutions segment includes design and development of integrated suite of solutions from Meta Experience ("Meta"), Information Technology ("IT"), Cybersecurity and Industrial Automation.

- Meetings, Incentive, Conferences, Exhibitions ("MICE")

MICE segment provides design and build installation support to its solutions when these IT solutions are required to be installed in showrooms, exhibition halls, product launches and customer service centers.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

31 Segment Information (cont'd)

- Digital Media Networks

Digital media networks segment includes creating, owning and implementing digital media solutions and media networks.

- Corporate

Corporate segment consists of investment holding company which does not meet any of the quantitative threshold for determining a reportable operating segment.

The accounting policies of the reportable operating segments are the same as the Group's accounting policies described in Note 4. Information regarding the results of each reportable operating segment is analysed below. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on mutually agreed terms.

Information of reportable operating segments

	<u>IT Solutions</u> S\$	<u>MICE</u> S\$	<u>Digital Media Networks</u> S\$	<u>Corporate</u> S\$	<u>Total</u> S\$
Group					
2022					
<i>Revenue</i>					
Total revenue	5,757,091	-	2,619,831	-	8,376,922
Inter-segment revenue	(52,962)	-	-	-	(52,962)
External revenue	5,704,129	-	2,619,831	-	8,323,960
<i>Results</i>					
Loss before income tax	(136,155)	-	(3,809,430)	(564,210)	(4,509,795)
Income tax	(10,340)	-	27,918	-	17,578
Loss for the year	(146,495)	-	(3,781,512)	(564,210)	(4,492,217)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

31 Segment Information (cont'd)

Information of reportable operating segments (cont'd)

	IT Solutions S\$	MICE S\$	Digital Media Networks S\$	Corporate S\$	Total S\$
Group					
2022					
<i>Assets and liabilities</i>					
Segment assets	4,472,133	-	1,629,220	213,371	6,314,724
Segment liabilities	(3,161,497)	-	(1,594,730)	(242,418)	(4,998,645)
<i>Other segment information</i>					
Expenditure for property, plant and equipment	(12,205)	-	(596,784)	-	(608,989)
Other non-cash items:					
Depreciation of property, plant and equipment	(414,742)	-	(744,902)	-	(1,159,644)
Amortisation of intangible assets	-	-	(131,376)	-	(131,376)
Impairment of property, plant and equipment	-	-	(1,336,524)	-	(1,336,524)
Impairment of goodwill	-	-	(1,666,655)	-	(1,666,655)
Impairment of intangible assets	-	-	(361,277)	-	(361,277)
Loss on disposal of property, plant and equipment	-	-	(2,928)	-	(2,928)
Property, plant and equipment written off	(11,974)	-	(50,310)	-	(62,284)
Gain on disposal of investment property	534,501	-	-	-	534,501
Gain on disposal of a subsidiary	62,824	-	-	-	62,824
Gain on subsidiaries struck off, net	2,605	-	-	(1,000)	1,605
Reversal of allowance for inventory obsolescence	123,153	-	-	-	123,153
Impairment loss on trade receivables and contract assets, net	(304,833)	-	(69,666)	-	(374,499)
Gain on pre-termination of lease of office property	-	-	3,753	-	3,753

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

31 Segment Information (cont'd)

Information of reportable operating segments (cont'd)

	IT Solutions S\$	MICE S\$	Digital Media Networks S\$	Corporate S\$	Total S\$
Group					
2021					
<i>Revenue</i>					
Total revenue	5,251,938	204,234	2,200,480	-	7,656,652
Inter-segment revenue	(104,443)	(23,200)	-	-	(127,643)
External revenue	5,147,495	181,034	2,200,480	-	7,529,009
<i>Results</i>					
(Loss)/Profit before income tax	(1,203,806)	(157,496)	(1,538,079)	681,534	(2,217,847)
Income tax	(1,974)	-	22,335	1,753	22,114
(Loss)/Profit for the year	(1,205,780)	(157,496)	(1,515,744)	683,287	(2,195,733)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

31 Segment Information (cont'd)

Information of reportable operating segments (cont'd)

	IT Solutions S\$	MICE S\$	Digital Media Networks S\$	Corporate S\$	Total S\$
<u>Group</u>					
2021					
<i>Assets and Liabilities</i>					
Segment assets	3,981,809	-	5,657,602	1,898,309	11,537,720
Segment liabilities	(3,196,587)	-	(2,202,478)	(56,241)	(5,455,306)
<i>Other segment information</i>					
Expenditure for property, plant and equipment	(110,229)	(3,797)	(2,356,661)	-	(2,470,687)
Other non-cash items:					
Depreciation of property, plant and equipment	(395,556)	(49,467)	(296,072)	-	(741,095)
Depreciation of investment property	(29,304)	-	-	-	(29,304)
Amortisation of intangible assets	-	-	(131,376)	-	(131,376)
Impairment of goodwill	-	-	(1,650,000)	-	(1,650,000)
Loss on disposal of a subsidiary	(29,161)	-	-	-	(29,161)
Allowance for inventory obsolescence	(11,025)	-	-	-	(11,025)
Trade receivables written off	-	-	(13,471)	-	(13,471)
Impairment loss on trade receivables and contract assets, net	(42,966)	(5,279)	(9,587)	-	(57,832)
Fair value gain on contingent consideration payable	-	-	-	1,026,744	1,026,744

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

31 Segment Information (cont'd)

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the entities of the Group which the goods and services are provided. Segment non-current assets are based on the geographical location of the assets.

The Group's revenues from external customers were predominantly attributed to Singapore, while the revenues from external customers attributed to an individual foreign country were accounted for less than 10% of the total revenues of the Group.

The Group's non-current assets for the financial years ended 31 December 2022 and 2021 were wholly attributed to Singapore.

Information about major customers

Revenues totalling S\$1,062,524 were derived from 1 external customer, where the external customer contributed 10% or more of the Group's total revenue. These revenues are attributable to the IT Solutions segment (2021: There was no single external customer which contributed 10% or more to the Group's total revenue).

32 Contingent Liabilities

(a) Bonus Earn Out

Pursuant to the terms and conditions of the acquisition of the Company's wholly owned subsidiary, PGK, in 2020, there is a one-time reward for performance that is calculated based on a percentage equivalent to 40% of the total actual NPBT over the 3-year period covering the financial years ended/ending 31 December 2021 to 2023 less the Target NPBT (the "Bonus Earn Out"). The Bonus Earn Out will be paid to the Vendor of PGK (who is also a former director of PGK) in cash in any such subsequent year where PGK has exceeded the Target NPBT. At the reporting date, management has assessed and is of the opinion that the probability of the Company to pay the Bonus Earn Out is remote.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

32 Contingent Liabilities (cont'd)

(b) Ongoing legal proceedings

On 18 August 2022 and 2 December 2022, the Company (or “RCL”) received letters of demand from the solicitors acting for Mr Giulio Dorrucchi (“Mr Dorrucchi”), the former CEO and director of PGK (who was also the former 100% shareholder of PGK), the contents of which are set out in RCL’s announcements on 23 August 2022 and 4 December 2022, respectively.

On 8 December 2022, Mr Dorrucchi commenced an Originating Claim in the High Court of Singapore (the “High Court”), against RCL, PGK, and as well as RCL’s nominated directors to PGK’s board, namely Mr Neo Wee Han Victor and Mr Lim Kian Sing (collectively, the “Defendants”). Pursuant to the Originating Claim, Mr Dorrucchi is claiming for the following:

Against PGK:

- (i) Mr Dorrucchi alleges that PGK had, through the conduct of the nominated directors to PGK’s board, wrongfully repudiated an employment agreement dated 27 October 2020 (“Employment Agreement”) entered between Mr Dorrucchi and PGK, such that he was constructively dismissed by PGK from his role as CEO and director of PGK. He also claims to have accepted PGK’s alleged repudiation on 8 November 2022 and is therefore claiming “lost salary and allowances” amounting to S\$206,500 from the day after his alleged constructive dismissal until 31 December 2023, i.e. the contractual end-date of the Employment Agreement (“Employment Claim”);
- (ii) Mr Dorrucchi claims the sum of S\$510,000 (Note 24) from PGK, being dividends declared to him when he was 100% shareholder of PGK, but which are allegedly owing and outstanding; and
- (iii) costs and interest.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

32 Contingent Liabilities (cont'd)

(b) Ongoing legal proceedings (cont'd)

Against RCL and RCL's nominated directors to PGK's board:

(i) Claims relating to the Term Sheet

Mr Dorrucci's claims against RCL arises out of a term sheet dated 30 September 2020 between RCL and Mr Dorrucci (the "Term Sheet"), pursuant to which RCL purchased all of Mr Dorrucci's equity in PGK. Mr Dorrucci contends that there is an alleged implied term to the Term Sheet that RCL (whether by its officers, servants and/or agents, or otherwise) should not engage in any conduct which would (a) interfere with Mr Dorrucci's management of PGK as its CEO and director, (b) interfere with PGK achieving the Net Profit Before Tax ("NPBT") Milestones and/or (c) otherwise hinder Mr Dorrucci from being paid the remaining purchase price or reward under the Bonus Earn Out. He contends that RCL, through the conduct of the nominated directors to PGK's board, breached the implied term by interfering with Mr Dorrucci's management or undermining his position as CEO and director of PGK. Mr Dorrucci makes the following claims against RCL and RCL's nominated directors to PGK's board:

- an order to be transferred such number of shares in RCL having the value of the remaining purchase price of S\$1.6 million under the Term Sheet, or alternatively damages in the amount of S\$1.6 million or damages in such amounts to be assessed;
- damages in respect of Mr Dorrucci's loss of reward from the Bonus Earn Out that he was entitled to under the Term Sheet, to be assessed;
- damages for conspiracy, to be assessed;
- damages for inducing PGK to breach the Employment Agreement, in the amount of S\$206,500, or damages in such amounts to be assessed; and
- costs and interest.

(ii) Claims relating to Mr Dorrucci's Employment Agreement

Mr Dorrucci contends that PGK had breached his Employment Agreement because RCL (the "Employment Agreement") and the nominated directors to PGK's board had wrongfully interfered with his management of PGK. As a result, he treated himself as being constructively dismissed by PGK, and claims S\$206,500 in damages, being the remuneration he would have been paid for the rest of his 3-year employment term. He also claims a declared, but yet to be paid, dividend of S\$510,000.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

32 Contingent Liabilities (cont'd)

(b) Ongoing legal proceedings (cont'd)

In its defense,

PGK:

PGK denies that it had breached the Employment Agreement as alleged by Mr Dorrucci or at all. It also takes that position that PGK is not obligated to pay the dividends claimed as he had agreed to subordinate his right to be paid the dividends until after PGK fully repays the loans extended by RCL to PGK.

PGK is also counterclaiming against Mr Dorrucci for breaches of the Employment Agreement and/or his statutory and/or fiduciary duties to PGK and/or his duties of fidelity to PGK, and is claiming damages to be assessed for Mr Dorrucci's breaches.

RCL and RCL's nominated directors to PGK's board:

RCL asserts that it did not, whether by itself or RCL's nominated directors to PGK's board, interfere with Mr Dorrucci's management or undermined his position as CEO and director of PGK. RCL has counterclaimed that Mr Dorrucci has breached the following terms in the Term Sheet: (i) that he would use his best endeavours to achieve the NPBT milestones and that he would do so as a committed employee, and (ii) that he would not directly or indirectly engage or be interested in any business activities in conflict with PGK's business or contemplated business. Subject to further discovery and particularisation of its claim, RCL is claiming losses/damages in the aggregate sum of S\$2,796,497 against Mr Dorrucci, or alternatively, damages to be assessed for his breaches of the Term Sheet.

In addition, the Company via the directors, whom the Company has nominated to the board of PGK, has undertaken to conduct an internal review of the management, operations and financial status of PGK (the "Internal Review"). As part of the Internal Review, the board of PGK has engaged independent legal counsel and independent accountants to assist and advise the board of PGK on the Internal Review.

The solicitors engaged by the Defendants (the "Defendants' Solicitors") have filed their defence, and RCL's and PGK's counterclaims in early January 2023 followed by Mr Dorrucci's defence to RCL's and PGK's counterclaims in early February 2023.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2022

32 Contingent Liabilities (cont'd)

(b) Ongoing legal proceedings (cont'd)

Based on the information and documents the Defendants' Solicitors have reviewed and the instructions the Defendants' Solicitors have received, the Defendants' Solicitors have expressed their view about the merits of the Originating Claim to management, subject to the High Court's final assessment of the credibility of the Company's witnesses and any further documents which may be disclosed by Mr Dorrucci in the course of the proceedings, as follows:

- Pursuant to the terms of the Term Sheet, the remaining purchase price is payable in the form of 4,599,815 shares in RCL. It is not an obligation to pay a sum of money; RCL can, if so elects, issue new shares to fulfil this obligation.
- Mr Dorrucci's claim of S\$510,000 is solely made against PGK. There is no legally plausible claim which Mr Dorrucci can advance against RCL in relation to this claim.
- Mr Dorrucci's claim of Bonus Earns Out is only entitled if PGK is and/or would have been able to earn any amount in excess of the NPBT Target of S\$3 million. It is highly unlikely that PGK could achieve the NPBT Target, and similarly, unlikely that Mr Dorrucci would be able to succeed on this claim.

Based on the above, the Defendants' Solicitors have advised that the Defendants have a reasonable chance to succeed in their defences against Mr Dorrucci's claims, and RCL and PGK succeeding in their counterclaims against Mr Dorrucci. There is also a mediation to be scheduled. The directors of the Company are therefore of the view that no provision for any loss from the ongoing legal proceedings is required to be recognised in the financial statements at the reporting date.

33 Event Occurring After the Reporting Period

Subsequent to the financial year end, the Company entered into a loan agreement with a substantial shareholder of the Company for a S\$2.0 million loan for the purpose of the Company's working capital. The loan is unsecured, interest-free and will be repaid in full on maturity 2 years from the date of the draw down of the loan by the Company or any such date as may be extended by the Company with the lender's prior written consent. As at the date of these financial statements, the Company has fully drawn down the loan of S\$2.0 million.

STATISTICS OF SHAREHOLDINGS

As at 15 March 2023

Number of Issued Shares	:	167,499,937
Number of Treasury Shares and subsidiary holdings	:	Nil
Number of Subsidiary Holdings	:	Nil
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 vote per share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	42	12.54	1,431	0.00
100 - 1,000	140	41.79	57,827	0.04
1,001 - 10,000	78	23.28	256,595	0.15
10,001 - 1,000,000	60	17.91	11,071,141	6.61
1,000,001 AND ABOVE	15	4.48	156,112,943	93.20
TOTAL	335	100.00	167,499,937	100.00

SHAREHOLDING HELD IN THE HANDS OF PUBLIC

As at 15 March 2023, approximately 19.05% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Catalist Rules is complied with.

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	TAN KIM SWEE BERNARD (CHEN JINRUI BERNARD)	53,424,690	31.90
2	LIM QUEE LAN @YEO SHEI MOY	48,336,625	28.86
3	LIM CHWEE KIM	20,428,000	12.20
4	AC GLOBAL INVESTMENT PTE LTD	13,392,100	8.00
5	CITIBANK NOMINEES SINGAPORE PTE LTD	5,460,000	3.26
6	LIM KIM HUAT	2,717,358	1.62
7	LEE ENG LEE	2,291,400	1.37
8	CHUA CHENG SIONG	1,420,458	0.85
9	POH CHEE YONG	1,420,458	0.85
10	TOH SIN CHUAN	1,420,458	0.85
11	TAN HEE NAM	1,213,829	0.72
12	NEO TIAN SIAH	1,202,400	0.72
13	YAP CHIN GUAN	1,190,300	0.71
14	ONG KIAN HENG	1,156,560	0.69
15	RAFFLES NOMINEES (PTE.) LIMITED	1,038,307	0.62
16	QUEK GIM CHENG	1,000,000	0.60
17	ANG DING LIANG DERRICK	909,900	0.54
18	NG KIAN PUAY(HUANG JIANPEI)	800,000	0.48
19	CHUA MENG KIM (CAI MINGJIN)	511,800	0.31
20	ONG ENG TIAM	500,000	0.30
	TOTAL	159,834,643	95.45

STATISTICS OF SHAREHOLDINGS

As at 15 March 2023

SUBSTANTIAL SHAREHOLDERS AS AT 15 MARCH 2023 as recorded in the Register of Substantial Shareholders

Name of Substantial Shareholders	Direct Interest	%	Deemed Interest	%
Tan Kim Swee Bernard (Chen Jinrui Bernard)	53,424,690	31.90	—	—
Lim Quee Lan @Yeo Shei Moy	48,336,625	28.86	—	—
Lim Chwee Kim	20,428,000	12.20	—	—
AC Global Investment Pte. Ltd. ⁽¹⁾	13,392,100	8.00	—	—
Chua Chye Joo Andrew ⁽¹⁾			13,392,100	8.00

⁽¹⁾ Chua Chye Joo Andrew holds the entire issued share capital of AC Global Investment Pte. Ltd. and is therefore deemed to be interested in the shares directly held by AC Global Investment Pte. Ltd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Revez Corporation Ltd. (the “**Company**”) will be held by way of electronic means on Thursday, 27 April 2023 at 2.00 p.m. for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To re-elect Mr Lim Yeow Hua, as a Director of the Company, who ceases to hold office in accordance with Regulation 122 of the Company’s Constitution and being eligible, offers himself for re-election. [See Explanatory Note 1] **(Resolution 2)**
3. To re-elect Mr Lim Soon Tong, as a Director of the Company, who ceases to hold office in accordance with Regulation 122 of the Company’s Constitution and being eligible, offers himself for re-election. [See Explanatory Note 2] **(Resolution 3)**
4. To re-elect Mr Tan Kim Swee Bernard, as a Director of the Company, who ceases to hold office in accordance with Regulation 122 of the Company’s Constitution and being eligible, offers himself for re-election. [See Explanatory Note 3] **(Resolution 4)**
5. To re-elect Ms Jennifer Zhang Dan, as a Director of the Company, who ceases to hold office in accordance with Regulation 122 of the Company’s Constitution and being eligible, offers herself for re-election. [See Explanatory Note 4] **(Resolution 5)**
6. To approve the payment of Directors’ fees of up to S\$100,000/- for the financial year ending 31 December 2023, to be paid quarterly in arrears (2022: S\$140,000/-). [See Explanatory Note 5] **(Resolution 6)**
7. To re-appoint Messrs Moore Stephens LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
8. To transact any other ordinary business which may properly be transacted at an annual general meeting.

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

9. Authority to allot and issue shares **(Resolution 8)**

That pursuant to Section 161 of the Companies Act 1967 (the “**Companies Act**”) and Rule 806 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:

(a) (i) allot and issue shares in the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or

NOTICE OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
- (b) notwithstanding the authority conferred by this Ordinary Resolution may have ceased to be in force, issue Shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force, provided that:
 - (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 100% of the Company’s total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b)(ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the Company’s total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b)(ii) below);
 - (ii) subject to such calculation as may be prescribed by the SGX-ST, for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (b)(i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, at the time this Resolution is passed after adjusting for:
 - (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities which are issued and outstanding or subsisting at the time of the passing of this Resolution;
 - (b) new Shares arising from exercising share options or vesting of share awards which are issued and outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
 - (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by SGX-ST) and the Company’s Constitution; and
 - (iv) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until (i) the conclusion of the next Annual General Meeting of the Company or (ii) the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note 6]

NOTICE OF ANNUAL GENERAL MEETING

10. Authority to allot and issue Shares under the Revez's Performance Share Plan

(Resolution 9)

That pursuant to Section 161 of the Companies Act, and the provisions of the Revez's Performance Share Plan ("**Share Plan**"), authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the Share Plan, provided always that the aggregate number of additional ordinary Shares to be allotted and issued pursuant to the Share Plan shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time. [See Explanatory Note 7]

BY ORDER OF THE BOARD

Gwendolin Lee Soo Fern/Lai Kuan Loong, Victor
Company Secretaries

12 April 2023
Singapore

Explanatory Notes:

1. Arising from the recent Board changes there are no Directors retiring by rotation in accordance with Regulation 117 of the Company's Constitution or Rule 720(4) of the Listing Manual Section B: Rules of Catalyst ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

Mr Lim Yeow Hua who was appointed as a Director of the Company on 30 January 2023, shall retire from office at the close of the Annual General Meeting ("**AGM**") and will be seeking re-election pursuant to Regulation 122 of the Company's Constitution. Mr Lim Yeow Hua, upon re-election as a Director of the Company, will remain as an Independent Director and Board Chairman of the Company, Chairman of the Audit & Risk Committee ("**ARC**"), Chairman of the Nominating Committee ("**NC**") and as a member of the Remuneration Committee ("**RC**"). Mr Lim Yeow Hua is considered independent for the purposes of Rule 704(7) of the Catalyst Rules.

In line with Provisions 2.1 and 4.4 of the Code of Corporate Governance 2018 ("**2018 CG Code**"), there are no relationships or business relationships which Mr Lim Yeow Hua, his immediate family member, or an organisation in which Mr Lim Yeow Hua or his immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director of, has with the Company or any of its related corporations, and Mr Lim Yeow Hua is not and has not been directly associated with a substantial shareholder of the Company, in the current and immediate past financial year.

Key information on Mr Lim Yeow Hua as required pursuant to Rule 720(5) of the Catalyst Rules can be found in the section titled "Board of Directors & Key Management" and "Corporate Governance Report" of the Company's Annual Report 2022.

2. Mr Lim Soon Tong who was appointed as a Director of the Company on 30 January 2023, shall retire from office at the close of the AGM and will be seeking re-election pursuant to Regulation 122 of the Company's Constitution. Mr Lim Soon Tong, upon re-election as a Director of the Company, will remain as an Independent Director of the Company, Chairman of the RC and as a member of the ARC and NC. Mr Lim Soon Tong is considered independent for the purposes of Rule 704(7) of the Catalyst Rules.

In line with Provisions 2.1 and 4.4 of the 2018 CG Code, there are no relationships or business relationships which Mr Lim Soon Tong, his immediate family member, or an organisation in which Mr Lim Soon Tong or his immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director of, has with the Company or any of its related corporations, and Mr Lim Soon Tong is not and has not been directly associated with a substantial shareholder of the Company, in the current and immediate past financial year.

Key information on Mr Lim Soon Tong as required pursuant to Rule 720(5) of the Catalyst Rules can be found in the section titled "Board of Directors & Key Management" and "Corporate Governance Report" of the Company's Annual Report 2022.

NOTICE OF ANNUAL GENERAL MEETING

3. Mr Tan Kim Swee Bernard who was appointed as a Director of the Company on 30 January 2023, shall retire from office at the close of the AGM and will be seeking re-election pursuant to Regulation 122 of the Company's Constitution. Mr Tan Kim Swee Bernard, upon re-election as a Director of the Company, will remain as a Non-Independent, Non-Executive Director of the Company.

Key information on Mr Tan Kim Swee Bernard as required pursuant to Rule 720(5) of the Catalist Rules can be found in the section titled "Board of Directors & Key Management" and "Corporate Governance Report" of the Company's Annual Report 2022.

4. Ms Jennifer Zhang Dan who was appointed as a Director of the Company on 30 January 2023, shall retire from office at the close of the AGM and will be seeking re-election pursuant to Regulation 122 of the Company's Constitution. Ms Jennifer Zhang Dan, upon re-election as a Director of the Company, will remain as an Executive Director of the Company.

Key information on Ms Jennifer Zhang Dan as required pursuant to Rule 720(5) of the Catalist Rules can be found in the section titled "Board of Directors & Key Management" and "Corporate Governance Report" of the Company's Annual Report 2022.

5. Ordinary Resolution 6, if passed, will authorise the Company to effect payment of Directors' fees to the Non-Executive Directors (including fees payable to members of the various committees of the Board) for the financial year ending 31 December 2023, such payments to be made quarterly in arrears at the end of each calendar quarter. This Resolution will facilitate the payment by the Company of the Directors' fees during the financial year in which they are incurred.
6. Ordinary Resolution 8, if passed, will empower the Directors of the Company, from the date of this AGM until the date of the next AGM, or the date by which the next AGM is required by law to be held or the date such authority is revoked by the Company in a general meeting, whichever is the earliest, to allot and issue Shares and convertible securities in the Company. The aggregate number of Shares (including any Shares issued pursuant to the convertible securities) which the Directors may allot and issue under this Resolution will not exceed 100% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company may be issued other than on a pro-rata basis to existing shareholders.
7. Ordinary Resolution 9, if passed, will authorise the Directors of the Company, from the date of this Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier, to allot and issue Shares in the Company, collectively of up to a number not exceeding 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time pursuant to the grant of share awards under the Revez's Performance Share Plan.

Other Notes:

- (i) The Company's forthcoming Annual General Meeting ("AGM") will be held by way of electronic means, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. In addition, in line with the advisory by Singapore Exchange Regulation, the Company will be facilitating live engagement and live voting at its forthcoming AGM.
- (ii) Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, printed copies of this Notice of AGM and the Proxy Form will not be sent to members. This Notice of AGM, the Annual Report 2022, and the Proxy Form may be accessed on SGXNET at <https://www.sgx.com/securities/company-announcements> or at the Company's website at <https://revezcorp.com/investors/sgx-announcements/>.

"Live" Audio-Visual and "Live" audio-only stream

- (iii) Shareholders, including Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") investors, or their duly appointed proxies will be able to observe and/or listen to the AGM proceedings through "live" audio-visual webcast or "live" audio-only stream. To do so, shareholders will need to register at <https://conveneagm.sg/REVEZAGM2023> (the "Registration Link") by 2.00 p.m. on 24 April 2023 (the "Registration Deadline") to enable the Company to verify their status.
- (iv) Following verification, authenticated Shareholders or their duly appointed proxies will receive an email by 2.00 p.m. on 26 April 2023 containing instructions on how to access the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings.
- (v) Shareholders must not forward the abovementioned instructions to persons who are not Shareholders of the Company and who are not entitled to attend the AGM.
- (vi) Shareholders who register by the Registration Deadline but do not receive an email response by 2.00 p.m. on 26 April 2023, should email support@conveneagm.com.

NOTICE OF ANNUAL GENERAL MEETING

Voting at the AGM

(vii) Voting for the Ordinary Resolutions will be conducted by poll. Voting at the AGM may be carried out as set out below:

- (a) (where the member is an individual) vote “live” via electronic means at the AGM;
- (b) (where the member is an individual or corporate) submit a Proxy Form (in advance of the AGM) appointing a proxy(ies) (other than the Chairman of the AGM) to vote “live” via electronic means at the AGM on his behalf; or
- (c) (whether the member is an individual or a corporate) submit a Proxy Form (in advance of the AGM) appointing the Chairman of the meeting to cast votes, or abstain from voting, on their behalf.

Appointment of Proxy / Proxy Form Submission

(viii) A proxy need not be a member of the Company.

- (ix) The instrument appointing a proxy or proxies must be signed under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
- (x) Shareholders who wish to submit instruments appointing a proxy(ies) must do so by downloading, completing and signing the Proxy Form in accordance with the instructions printed thereon, which have been uploaded together with the Notice of AGM and the Annual Report 2022 on SGXNET and the Company’s website.
- (xi) The instrument appointing a proxy or proxies must be submitted either:
 - (a) via post and deposited at the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07 Singapore 098632; or
 - (b) via email, to the Company at agm.teame@boardroomlimited.com.

in each case, not less than seventy-two (72) hours before the time appointed for the AGM.

Members are strongly encouraged to submit Proxy Forms electronically, via email.

CPF or SRS investors:

- (a) may vote “live” via electronic means at the AGM if they are appointed as proxies by their respective CPF agent banks or SRS operators, and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the meeting as proxy to vote on their behalf at the AGM in which case they should approach their respective CPF agent banks or SRS operators to submit their votes by 2.00 p.m. on 18 April 2023 (i.e. at least seven (7) working days before the AGM).
- (xii) Appointed proxy(ies) will be prompted via email (within two (2) business days after the Company’s receipt of a validly completed and submitted instrument appointing a proxy(ies)) to pre-register at <https://conveneagm.sg/REVEZAGM2023>, in order to access the “live” audio-visual webcast or “live” audio-only stream of the AGM proceedings.
- (xiii) The Company shall be entitled to reject an instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted if such members are not shown to have Shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for the holding of the AGM as certified by The Central Depository (Pte) Limited to the Company.

NOTICE OF ANNUAL GENERAL MEETING

Submission of Questions

- (xiv) Shareholders (including CPF and SRS investors) and, where applicable, appointed proxy(ies), who participate by way of observing the “live” audio-visual webcast or “live” audio-only stream of the AGM proceedings may ask text-based questions live and online (in real time) during the AGM, by typing in and submitting their questions via the “live” “Ask a Question” function via the online platform hosting the audio-visual webcast.
- (xv) Alternatively, Shareholders (including CPF and SRS investors) may pre-submit questions relating to the Ordinary Resolutions by (a) email to gm@revezcorp.com or (b) submitted by post to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07 Singapore 098632; or (c) the Registration Link, by 2.00 p.m. on 19 April 2023. Members are strongly encouraged to submit questions electronically, via email or the Registration Link.
- (xvi) For questions submitted in advance of the AGM, the Company will provide responses to all questions which are substantial and relevant to the Ordinary resolutions by publication on the SGXNET and the Company’s website by 2.00 p.m. on 22 April 2023 (i.e. at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Forms) to facilitate Shareholders’ vote and allow Shareholders to make an informed decision on the Ordinary Resolutions to be tabled at the AGM.

Relevant Intermediaries

- (xvii) Investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS investors, and who wish to participate in the AGM by (a) observing or listening to the AGM proceedings via “live” audio-visual webcast or “live” audio-only stream; (b) submitting questions live and online (in real time) during the AGM or in advance of the AGM; and/or (c) appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF agent banks and SRS operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the AGM.

Personal Data Privacy:

By submitting an instrument appointing proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

Photographic, sound and/or video recordings of the AGM may be made by the Company for recording keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company and/or his proxy(ies) and/or representative(s) (such as his/her name and his/her presence at the AGM) may be recorded by the Company for such purpose.

This notice has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, UOB Kay Hian Private Limited (the “**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President at 8 Anthony Road, #01-01, Singapore 229957, Telephone (65) 6590 6881.

REVEZ CORPORATION LTD.

(Incorporated in Singapore)

(Company Registration No.: 201119167Z)

PROXY FORM

(Please see notes overleaf before completing this Proxy Form)

A printed copy of this Proxy Form will not be sent to members but has been made available to members via electronic means on SGXNET and the Company's corporate website.

IMPORTANT:	
1.	The Annual General Meeting ("AGM" or the "Meeting") of Revez Corporation Ltd. (the "Company") is being convened and held by way of electronic means pursuant to the COVID-19 Temporary Measures (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts and Debenture Holders) Order 2020.
2.	Printed copies of the Notice of AGM, Annual Report 2022 and this Proxy Form will not be sent to members, instead copies of the same may be accessed on SGXNET at https://www.sgx.com/securities/company-announcements or at the Company's website at https://revezcorp.com/investors/sgx-announcements/ .
3.	Members will not be able to attend the AGM in person but may do so remotely. Alternative arrangements relating to:
(a)	attendance at the AGM via electronic means (including arrangements by which the Meeting can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream);
(b)	submission of questions in advance of, or "live" via text-based questions through the audio-visual webcast platform at, the AGM, and addressing of substantial and relevant questions in advance of, or "live" at the AGM; and
(c)	voting at the AGM (i) "live" by the member or his appointed proxy(ies) (other than the Chairman of the Meeting) via electronic means; or (ii) by appointing the Chairman of the Meeting as proxy to vote on the members' behalf at the AGM, are set out in the Notice of AGM dated 12 April 2023.
4.	This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF/SRS investors who hold ordinary shares ("Shares") through their CPF/SRS funds. CPF/SRS investors who wish to vote should approach their respective CPF agent banks or SRS operators to submit their votes at least seven (7) working days before the date of the AGM.

I/We _____ (Name), NRIC/Passport/Co. Reg. No* _____

of _____ (Address)

being a member/members of Revez Corporation Ltd. (the "Company"), hereby appoint(s):

Name	Address	Email Address^	NRIC/ Passport No.	No. of Shares/ Proportion of Shareholdings

*and/or

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or failing whom, the Chairman of the Meeting as my/our proxy, to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting ("AGM") of the Company, to be held by electronic means on Thursday, 27 April 2023 at 2.00 p.m. (Singapore time) and at any adjournment thereof in the following manner:

Ordinary Resolutions	For **	Against **	Abstain **
(1) Adoption of Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Auditors' Report thereon			
(2) Re-election of Mr Lim Yeow Hua as a Director of the Company			
(3) Re-election of Mr Lim Soon Tong as a Director of the Company			
(4) Re-election of Mr Tan Kim Swee Bernard as a Director of the Company			
(5) Re-election of Ms Jennifer Zhang Dan as a Director of the Company			
(6) Approval of Directors' fees			
(7) Re-appointment of Moore Stephens LLP as Auditors			
(8) Authority to allot and issue Shares			
(9) Authority to allot and issue Shares pursuant to the Revez's Performance Share Plan			

* Delete as appropriate.

** Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" please tick [✓] in the "For" or "Against" box. Alternatively, please indicate the number of votes "For" or "Against" in the appropriate box. If you wish to "Abstain" from voting on the resolution, please tick [✓] in the abstain box. Alternatively, please indicate the number of shares you wish to abstain from voting.

^ Appointed proxy(ies) will be prompted via email (within two (2) business days after the Company's receipt of a validly completed and submitted instrument appointing a proxy(ies)) to pre-register at <https://conveneagm.sg/REVEZAGM2023>, in order to access the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings.

Dated this _____ day of _____ 2023

Total Number of Shares Held

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Signature (s) of Member(s)

or; Common Seal of Corporate Member(s)

IMPORTANT: PLEASE READ THE NOTES BELOW CAREFULLY BEFORE COMPLETING THIS PROXY FORM

Notes:

1. If the member has Shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has Shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of Shares. If the member has Shares entered against his name in the Depository Register and Shares registered in his name in the Register of Members, he should insert the aggregate number of Shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the Shares held by the member.
2. The Company is not providing for physical attendance by members at the AGM. A member who wishes to exercise his voting rights at the AGM may:
 - (a) (where the member is an individual) vote “live” via electronic means at the AGM;
 - (b) (where the member is an individual or corporate) submit a Proxy Form (in advance of the AGM) appointing a proxy(ies) (other than the Chairman of the AGM) to vote “live” via electronic means at the AGM on his behalf; or
 - (c) (whether the member is an individual or a corporate) submit a Proxy Form (in advance of the AGM) appointing the Chairman of the meeting to cast votes, or abstain from voting, on their behalf.
3. This Proxy Form may be accessed on SGXNET at <https://www.sgx.com/securities/company-announcements> or at the Company’s website at <https://revzcorp.com/investors/sgx-announcements/>.
4. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member’s instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument, failing which, the Company shall be entitled to reject such instrument appointing a proxy(ies).
5. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member’s instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument, failing which, the Company shall be entitled to reject such instrument appointing a proxy(ies).

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act.
6. A proxy need not be a member of the Company.
7. The instrument appointing proxy(ies) must be submitted either:
 - (a) via post and deposited at the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07 Singapore 098632; or
 - (b) via email, to the Company’s Share Registrar at agm.teame@boardroomlimited.com,in each case, not less than seventy-two (72) hours before the time appointed for the AGM.

Members are strongly encouraged to submit Proxy Forms electronically, via email.

A member who wishes to submit an instrument appointing a proxy(ies) by post or via email must first download, complete and sign the Proxy Form before submitting it by post to the address provided above, or before submitting it via email (e.g. by enclosing a completed and signed PDF copy of the Proxy Form) to the email address provided above.
8. Completion and return of the instrument appointing a proxy(ies) does not preclude a member from attending, speaking and voting at the AGM. A member who accesses the “live” audio-visual webcast or “live” audio-only stream of the AGM proceedings may revoke the appointment of a proxy(ies) at any time before voting commences and in such an event, the Company reserves the right to terminate the proxy(ies)’ access to the “live” audio-visual webcast and “live” audio-only stream of the AGM proceedings.
9. The instrument appointing a proxy(ies) must, if submitted by post or electronically via email, be signed under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must, if submitted by post or electronically via email, be executed either under its seal or under the hand of the officer or attorney duly authorised. Where an instrument appointing proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
10. The Company shall be entitled to reject an instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted if such members are not shown to have Shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for the holding of the AGM as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies), the members accept and agree to the personal data privacy terms set out in the Notice of AGM dated 12 April 2023.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lim Yeow Hua *(Independent Director and Board Chairman)*

Lim Soon Tong *(Independent Director)*

Bernard Tan *(Non-Executive Director)*

Jennifer Zhang Dan

(Executive Director and Group Financial Controller)

AUDIT AND RISK COMMITTEE

Lim Yeow Hua *(Chair)*

Lim Soon Tong *(Member)*

NOMINATING COMMITTEE

Lim Yeow Hua *(Chair)*

Lim Soon Tong *(Member)*

REMUNERATION COMMITTEE

Lim Soon Tong *(Chair)*

Lim Yeow Hua *(Member)*

COMPANY SECRETARY

Lai Kuan Loong, Victor

Gwendolin Lee Soo Fern

REGISTERED OFFICE AND BUSINESS ADDRESS

29 Media Circle, ALICE@Mediapolis
South Tower #03-13
Singapore 138565

T: +65 6291 2691

E: ir@revezcorp.com

W: www.revezcorp.com

Company Registration Number:
201119167Z

SHARE REGISTRAR

Boardroom Corporate & Advisory
Services Pte. Ltd.

1 Harbourfront Avenue
Keppel Bay Tower, #14-07
Singapore 098632

T +65 6536 5355

F +65 6536 1360

AUDITORS

Moore Stephens LLP
(Registered with Accounting and Corporate
Regulatory Association)

10 Anson Road,
#29-15 International Plaza,
Singapore 079903

Ng Chiou Gee Willy

Date of appointment:

Since financial year ended 31 December 2019

No. of years in charge: 4 years

SPONSOR

UOB Kay Hian Private Limited
8 Anthony Road #01-01 Singapore 229957



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29 Media Circle, ALICE@Mediapolis
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