

Company Registration No. 199907443M

Plato Capital Limited and its Subsidiaries

Condensed Interim Financial Statements
For the six months ended 30 June 2021

Plato Capital Limited and its Subsidiaries

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

	Note	Group		Increase/ (decrease) %
		6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000	
Revenue	4	532	599	(11.2)
Other income	4	818	6	NM
		1,350	605	123.1
Other items of income/(expenses)				
Purchase of software and services		(104)	(140)	(25.7)
Employee benefits expenses		(457)	(406)	12.6
Depreciation of property, plant and equipment		-	(3)	(100.0)
Amortisation of right-of-use assets		(25)	-	NM
Foreign exchange loss, net		(652)	(816)	(20.1)
Other operating expenses		(358)	(621)	(42.4)
Finance costs		(266)	(319)	(16.6)
Share of loss of joint ventures		(797)	(802)	(0.6)
Share of profit of associates		963	396	NM
Loss before taxation	6	(346)	(2,106)	(83.6)
Tax expense		-	-	NM
Loss for the period, net of tax		(346)	(2,106)	(83.6)
Other comprehensive income/(loss):				
<u>Items that may be classified to profit or loss in subsequent periods (net of tax)</u>				
Share of foreign currency translation reserve of joint ventures		(512)	(16)	NM
Share of foreign currency translation reserve of associates		(12)	393	NM
Foreign currency translation gain		646	1,191	NM
<u>Items that will not be classified to profit or loss in subsequent periods (net of tax)</u>				
Fair value loss on quoted equity investment at fair value through other comprehensive income		(618)	(1,152)	(46.4)
Total other comprehensive (loss)/income for the period		(496)	416	NM
Total comprehensive loss for the period		(842)	(1,690)	(50.2)

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

	Note	Group		Increase/ (decrease) %
		6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000	
Loss/(profit) attributable to:				
- Owners of the Company		(1,043)	(1,942)	(46.3)
- Non-controlling interests		697	(164)	NM
		<u>(346)</u>	<u>(2,106)</u>	<u>(83.6)</u>
Total comprehensive (loss)/income attributable to:				
- Owners of the Company		(1,789)	(1,831)	(2.3)
- Non-controlling interests		947	141	NM
		<u>(842)</u>	<u>(1,690)</u>	<u>(50.2)</u>
<u>Loss per share for loss for the period attributable to the owners of the Company during the period:</u>				
Basic (Singapore cents)	7	(8.56)	(19.95)	NM
Diluted (Singapore cents)	7	(8.56)	(19.95)	NM

NM = Not Meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		30 June 2021 \$'000	31 Dec 2020 \$'000	30 June 2021 \$'000	31 Dec 2020 \$'000
Assets					
Non-current assets					
Property, plant and equipment	9	13,402	13,313	-	-
Right-of-use assets	10	49	75	-	-
Intangible assets	11	314	309	-	-
Investment in subsidiaries		-	-	34,205	33,651
Investment in joint ventures		15,306	16,894	-	-
Investment in associates		15,365	14,415	-	-
Investment securities	12	3,840	4,457	-	-
Trade receivables		8,422	8,542	-	-
Total non-current assets		56,698	58,005	34,205	33,651
Current assets					
Trade receivables		33	231	-	-
Other receivables and deposits		59	61	-	-
Prepaid operating expenses		48	77	4	13
Capitalised contract costs - deferred maintenance costs		60	140	-	-
Tax recoverable		22	18	-	-
Amounts due from subsidiaries		-	-	2,946	3,522
Amount due from a joint venture		96	94	-	-
Cash and cash equivalents		1,416	2,065	125	275
Total current assets		1,734	2,686	3,075	3,810
Total assets		58,432	60,691	37,280	37,461
Current liabilities					
Trade payables		4	96	-	-
Other payables and accruals		607	1,442	160	190
Contract liabilities - deferred revenue		128	278	-	-
Amounts due to subsidiaries		-	-	3,820	3,999
Amounts due to joint ventures		808	976	-	-
Loans and borrowings	13	3,723	4,000	-	-
RCULS - liability component	13	-	6,184	-	6,184
Total current liabilities		5,270	12,976	3,980	10,373
Net current liabilities		(3,536)	(10,290)	(905)	(6,563)
Non-current liabilities					
Deferred tax liabilities		3	3	3	3
Loans and borrowings	13	-	27	-	-
Amount due to a related party		2,332	2,369	-	-
Total non-current liabilities		2,335	2,399	3	3
Total liabilities		7,605	15,375	3,983	10,376
Net assets		50,827	45,316	33,297	27,085

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

	Note	Group		Company	
		30 June 2021 \$'000	31 Dec 2020 \$'000	30 June 2021 \$'000	31 Dec 2020 \$'000
Equity					
Share capital	14	48,392	40,875	48,392	40,875
Fair value and other reserves		(2,768)	(315)	425	2,260
Foreign currency translation reserve		(6,778)	(6,650)	-	-
Retained earnings/ (accumulated losses)		4,615	4,987	(15,520)	(16,050)
Equity attributable to owners of the Company		43,461	38,897	33,297	27,085
Non-controlling interests		7,366	6,419	-	-
Total equity		50,827	45,316	33,297	27,085
Total equity and liabilities		58,432	60,691	37,280	37,461

C. Condensed interim statements of changes in equity

		<----- Attributable to owners of the Company ----->						
Group	Note	Share capital \$'000	Fair value and other reserves \$'000	Foreign currency translation reserve \$'000	Retained earnings/ (accumulated losses) \$'000	Equity attributable to owners of the Company \$'000	Non- controlling interests \$'000	Total equity \$'000
2021								
Balance at 1 January 2021								
		40,875	(315)	(6,650)	4,987	38,897	6,419	45,316
(Loss)/profit for the period		-	-	-	(1,043)	(1,043)	697	(346)
Other comprehensive (loss)/income:								
Fair value loss on quoted equity investment at fair value through other comprehensive income ("FVOCI")								
		-	(618)	-	-	(618)	-	(618)
Share of foreign currency translation reserve of joint ventures								
		-	-	(512)	-	(512)	-	(512)
Share of foreign currency translation reserve of associates								
		-	-	166	-	166	(178)	(12)
Foreign currency translation gain								
		-	-	218	-	218	428	646
Other comprehensive (loss)/income for the period, net of tax								
		-	(618)	(128)	-	(746)	250	(496)
Total comprehensive (loss)/income for the period								
		-	(618)	(128)	(1,043)	(1,789)	947	(842)
Transactions with owners:								
Conversion of RCULS								
	14	7,517	(1,164)	-	-	6,353	-	6,353
Reclassification of share options and share awards upon expiry								
	14	-	(671)	-	671	-	-	-
Total transactions with owners								
		7,517	(1,835)	-	671	6,353	-	6,353
Balance at 30 June 2021								
		48,392	(2,768)	(6,778)	4,615	43,461	7,366	50,827

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

<----- Attributable to owners of the Company ----->

Group	Share capital	Fair value and other reserves	Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Equity attributable to owners of the Company	Non- controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2020							
Balance at 1 January 2020	40,875	428	(8,170)	6,778	39,910	5,337	45,247
Loss for the period	-	-	-	(1,942)	(1,942)	(164)	(2,106)
Other comprehensive (loss)/income:							
Fair value loss on quoted equity investment at fair value through other comprehensive income ("FVOCI")	-	(1,152)	-	-	(1,152)	-	(1,152)
Share of foreign currency translation reserve of joint ventures	-	-	(16)	-	(16)	-	(16)
Share of foreign currency translation reserve of associates	-	-	260	-	260	133	393
Foreign currency translation gain	-	-	1,019	-	1,019	172	1,191
Other comprehensive (loss)/income for the period, net of tax	-	(1,152)	1,263	-	111	305	416
Total comprehensive (loss)/income for the period	-	(1,152)	1,263	(1,942)	(1,831)	141	(1,690)
Balance at 30 June 2020	40,875	(724)	(6,907)	4,836	38,079	5,478	43,557

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

Company	Note	Share capital \$'000	Other reserves \$'000	(Accumulated losses)/ retained earnings \$'000	Total equity \$'000
2021					
Balance at 1 January 2021		40,875	2,260	(16,050)	27,085
Loss for the period, representing total comprehensive loss for the period		-	-	(141)	(141)
Transactions with owners:					
Conversion of RCULS	14	7,517	(1,164)	-	6,353
Reclassification of share options and share awards upon expiry	14	-	(671)	671	-
Total transactions with owners		7,517	(1,835)	671	6,353
Balance at 30 June 2021		48,392	425	(15,520)	33,297
2020					
Balance at 1 January 2020		40,875	2,260	(14,158)	28,977
Loss for the period, representing total comprehensive loss for the period		-	-	(539)	(539)
Balance at 30 June 2020		40,875	2,260	(14,697)	28,438

D. Condensed interim consolidated statement of cash flows

	Group	
	6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000
Cash flows from operating activities		
Loss before tax	(346)	(2,106)
Adjustments for:		
Interest income from bank deposits	(6)	(6)
Interest income from provision of credit facilities	(250)	(251)
Interest expenses	263	317
Depreciation of property, plant and equipment	-	3
Amortisation of right-of-use assets	25	-
Share of loss of joint ventures	797	802
Share of profit of associates	(963)	(396)
Unrealised foreign exchange loss/(gain), net	652	(590)
Operating profit/(loss) before working capital changes	172	(2,227)
Increase in receivables	(211)	(10)
(Decrease)/increase in payables	(1,185)	1,082
Cash flows used in operations	(1,224)	(1,155)
Interest received from provision of credit facilities	250	251
Income tax paid	(22)	(4)
Net cash flows used in operating activities	(996)	(908)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(311)	(374)
Investment in associates	-	(386)
Dividend received from a joint venture	649	-
Trademark related expenses paid	-	(1)
Net cash flows generated from/(used in) investing activities	338	(761)
Cash flows from financing activities		
Interest paid	(92)	(124)
Interest received from bank deposits	6	6
Advances from non-controlling interest of a subsidiary controlled by a substantial shareholder	(1)	480
Repayment of bank borrowings	(217)	(326)
Repayment of principal portion of lease liabilities	(25)	-
Net cash flows (used in)/generated from financing activities	(329)	36
Net decrease in cash and cash equivalents	(987)	(1,633)
Effect of currency translation on cash and cash equivalents	80	198
Cash and cash equivalents at beginning of the financial period	2,323	3,758
Cash and cash equivalents at end of the financial period	1,416	2,323

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Plato Capital Limited (the "Company") is a limited liability company incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Company is investment holding.

The principal activities of the Group are:

- (a) provision of systems integration related activities and eCommerce systems and services;
- (b) provision of credit facilities; and
- (c) investment holding in properties and securities.

2. Summary of significant accounting policies

2.1 Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The condensed interim financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies as set out below.

The condensed interim financial statements are presented in Singapore Dollar ("S\$"), which is the Company's functional currency. All financial information is presented in S\$ and has been rounded to the nearest thousand, unless otherwise stated.

Fundamental accounting concept

The condensed interim financial statements have been prepared on a going concern basis notwithstanding the excess of current liabilities over current assets of \$3.54 million as at 30 June 2021 (31 December 2020: \$10.29 million) as the Directors are of the view that the Group will continue as a going concern.

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

2. Summary of significant accounting policies (cont'd.)

2.1 Basis of preparation (cont'd.)

Fundamental accounting concept (cont'd.)

The Directors' view is based on the following:

- the Group's ability to continue to have access to banking facilities available to the Group with the support of Mr Lim Kian Onn ("Mr LKO"), who is the Chairman/Non-Independent/Non-Executive Director and controlling shareholder of the Company, as guarantor to those facilities. As at the date of these condensed interim financial statements, Mr LKO has provided a commitment to the Group to continue to provide and not withdraw such personal guarantee so as to enable the Group to have continuous access to these banking facilities;
- the Group will be able to generate sufficient cash flows from its operating and investing activities; and
- the Group will be able to secure additional borrowings by securing its long-term assets which are currently unencumbered.

2.2 Changes in accounting policies and disclosures

New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except that in the current financial period, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards did not result in material changes to the Group's accounting policies and has no material effect on the financial result reported for the current and prior reporting periods.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendment to SFRS(I) 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to SFRS(I) 3: Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022

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

2. Summary of significant accounting policies (cont'd.)

2.3 Standards issued but not yet effective (cont'd.)

Description	Effective for annual periods beginning on or after
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
SFRS(I) 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to SFRS(I) 17	1 January 2023
Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8: Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28 Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Directors expect that the adoption of the above standards will have no material impact on the condensed interim financial statements in the period of initial application.

2.4 Use of judgements and estimates

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

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

Management is of the opinion that there are no significant judgements made in applying accounting policies or key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts recognised in the consolidated financial statements.

3. Seasonal operations

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

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

4. Segment and revenue information

The Group is organised into the following main business segments:

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

These operating segments are reported in a manner consistent with internal reporting provided to the management who is responsible for allocating resources and assessing performance of the operating segments.

4.1 Reportable segments

	IT operations	Investment activities	Corporate and others	Consolidated
	\$'000	\$'000	\$'000	\$'000
1 January 2021 to 30 June 2021				
Sales to external customers	282	250	-	532
Revenue from external parties	282	250	-	532
Interest income from bank deposits	-	-	6	6
Miscellaneous income	-	810	2	812
Total other income	-	810	8	818
Total revenue and other income	282	1,060	8	1,350
Finance costs	-	(263)	-	(263)
Amortisation of right-of-use assets	-	(25)	-	(25)
Share of loss of joint ventures	-	(797)	-	(797)
Share of profit of associates	-	963	-	963
Segment profit/(loss) before tax	125	(103)	(368)	(346)
Taxation				-
Loss for the interim period				(346)

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

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

4.1 Reportable segments (cont'd.)

	IT operations	Investment activities	Corporate and others	Consolidated
	\$'000	\$'000	\$'000	\$'000
30 June 2021				
Segment assets	407	51,222	6,781	58,410
Tax recoverable				22
Total assets per statement of financial position				<u>58,432</u>
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	-	311	-	311
- Investment in associates and joint ventures	-	30,671	-	30,671
	-	30,982	-	<u>30,982</u>
Segment liabilities	3,393	3,980	229	7,602
Deferred tax liabilities				3
Total liabilities per statement of financial position				<u>7,605</u>

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

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

4.1 Reportable segments (cont'd.)

	IT operations	Investment activities	Corporate and others	Consolidated
	\$'000	\$'000	\$'000	\$'000
1 January 2020 to 30 June 2020				
Sales to external customers	348	251	-	599
Revenue from external parties	348	251	-	599
Interest income from bank deposits	1	3	2	6
Total other income	1	3	2	6
Total revenue and other income	349	254	2	605
Finance costs	-	(125)	(192)	(317)
Depreciation of property, plant and equipment	(2)	(1)	-	(3)
Share of loss of joint ventures	-	(802)	-	(802)
Share of profit of associates	-	396	-	396
Segment loss before tax	(7)	(1,428)	(671)	(2,106)
Taxation				-
Loss for the interim period				(2,106)

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

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

4.1 Reportable segments (cont'd.)

	IT operations	Investment activities	Corporate and others	Consolidated
	\$'000	\$'000	\$'000	\$'000
30 June 2020				
Segment assets	327	53,616	5,227	59,170
Tax recoverable				2
Total assets per statement of financial position				<u>59,172</u>
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	2	372	-	374
- Investment in associates and joint ventures	-	30,895	-	30,895
	<u>2</u>	<u>31,267</u>	<u>-</u>	<u>31,269</u>
Segment liabilities	3,778	4,677	7,091	15,546
Deferred tax liabilities				69
Total liabilities per statement of financial position				<u>15,615</u>

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

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

4.2 Disaggregation of revenue

	Group			
	6 months ended 30 June 2021			
	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Total \$'000
Types of goods or services:				
License fees and services	113	-	-	113
Service maintenance	169	-	-	169
Interest income from provision of credit facilities	-	250	-	250
Total revenue	282	250	-	532
Timing of revenue recognition:				
At a point in time	169	-	-	169
Over time	113	250	-	363
Total revenue	282	250	-	532
Geographical information:				
Malaysia	282	250	-	532
Total revenue	282	250	-	532

	Group			
	6 months ended 30 June 2020			
	IT operations \$'000	Investment activities \$'000	Corporate and others \$'000	Total \$'000
Types of goods or services:				
License fees and services	128	-	-	128
Service maintenance	220	-	-	220
Interest income from provision of credit facilities	-	251	-	251
Total revenue	348	251	-	599
Timing of revenue recognition:				
At a point in time	128	-	-	128
Over time	220	251	-	471
Total revenue	348	251	-	599
Geographical information:				
Singapore	2	-	-	2
Malaysia	346	251	-	597
Total revenue	348	251	-	599

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

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2021 and 31 December 2020:

	Group		Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Financial Assets				
Financial assets at fair value through other comprehensive income	3,673	4,290	-	-
Financial assets at fair value through profit or loss	167	167	-	-
Total financial assets measured at fair value	3,840	4,457	-	-
Trade receivables	8,455	8,773	-	-
Other receivables and deposits	59	61	-	-
Amounts due from subsidiaries	-	-	2,946	3,522
Amount due from a joint venture	96	94	-	-
Cash and cash equivalents	1,416	2,065	125	275
Total financial assets measured at amortised cost	10,026	10,993	3,071	3,797
Financial Liabilities				
Trade payables	4	96	-	-
Other payables and accruals	607	1,442	160	190
Amounts due to subsidiaries	-	-	3,820	3,999
Amounts due to joint ventures	808	976	-	-
Amount due to a related party	2,332	2,369	-	-
Loans and borrowings	3,723	10,211	-	6,184
Total financial liabilities measured at amortised cost	7,474	15,094	3,980	10,373

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

6. Profit before taxation

6.1 Significant items

	Group	
	6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000
Income		
Interest income	6	6
Reversal of provision for legal fees	810	-
	<hr/>	<hr/>
Expenses		
Finance costs	(263)	(317)
Depreciation of property, plant and equipment	-	(3)
Amortisation of right-of-use assets	(25)	-
Foreign exchange loss, net	(652)	(816)
	<hr/>	<hr/>

6.2 Related party transactions

(a) Significant transactions between the Group and related parties

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place with terms agreed between the parties during the financial period:

	Group	
	6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000
Lease payments to Nobleman Holdings Sdn Bhd, a company in which a substantial shareholder has interest	25	-
	<hr/>	<hr/>
RCULS interest payable to Mr LKO	10	15
	<hr/>	<hr/>

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

6. Profit before taxation (cont'd.)

6.2 Related party transactions (cont'd.)

(b) Compensation of key management personnel

	Group	
	6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000
Directors' fees	59	79
Short-term employee benefits	201	150
Defined contribution plans	18	9
Total compensation paid to key management personnel	278	238
Comprise amounts paid to:		
- Directors of the Company	139	155
- Other key management personnel	139	83
	278	238

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

7. Loss per share

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

Diluted loss per share is calculated by dividing loss net of tax, attributable to owners of the Company (after adjusting for interest expense on RCULS, net of tax) by the weighted average number of ordinary shares outstanding during the financial period the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

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

7. Loss per share (cont'd.)

The following tables reflect the losses and share data used in the computation of basic and diluted loss per share for the financial period:

	Group	
	6 months ended 30 June 2021	6 months ended 30 June 2020
Loss attributable to owners of the Company (\$'000)	(1,043)	(1,942)
Weighted average number of Shares for basic and diluted loss per share computation	12,178,185	9,735,025*
Basic loss per share (Singapore cents)	(8.56)	(19.95)
Diluted loss per share (Singapore cents)	(8.56)	(19.95)

* The weighted average number of Shares for 2020 has been retrospectively adjusted to reflect the Share Consolidation Exercise as disclosed in Note 14.

RCULS, share options granted pursuant to Plato ESOS 2016 and share awards granted pursuant to Plato PSP 2016 have not been included in the calculation of the diluted loss per share because they are anti-dilutive.

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

8. Net Asset Value

	Group		Company	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Net asset value per ordinary share (Singapore cents)	356.87	399.56	273.41	278.22
Number of ordinary shares in issue (excluding treasury shares)	12,178,185	9,735,025	12,178,185	9,735,025

The Group's and the Company's net asset value per ordinary share as at 30 June 2021 and 31 December 2020 were calculated based on the Group's and the Company's net assets attributable to owners of the Company over the number of ordinary shares in issue (excluding treasury shares) at the respective reporting dates.

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

9. Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired assets amounting to \$0.31 million (31 December 2020: \$0.43 million) and disposed of assets amounting to \$Nil (31 December 2020: \$Nil).

10. Right-of-use assets

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

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

11. Intangible assets

	Group	
	30 June 2021 \$'000	31 December 2020 \$'000
Trademarks		
At beginning of the financial period	309	314
Exchange differences	5	(5)
At end of the financial period	<u>314</u>	<u>309</u>

Trademarks relate to the costs incurred on the "ORMOND" and "MoMo's" hotel brands. The trademarks have been granted by the subsidiaries of the Company, Ormond (HK) Limited and Plato Capital Holdings Limited ("the Licensors") respectively to Ormond Group Pte Ltd, a joint venture of the Company the rights to use the trademarks until 27 June 2024 for the purpose of developing, operating and/or managing hotels. These rights can be renewed for a further period on terms to be mutually agreed between the Licensors and Ormond Group Pte Ltd.

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

12. Investment securities

	Group	
	30 June	31 December
	2021	2020
	\$'000	\$'000
At fair value through other comprehensive income		
- Quoted securities in Malaysia	3,673	4,290
At fair value through profit or loss		
- Unquoted preference shares	167	167
	<u>3,840</u>	<u>4,457</u>

The fair values of the quoted equity securities are based on closing quoted market prices on the last market day of the financial period (Level 1 of the fair value hierarchy as shown in Note 11.1).

The investment in unquoted preferences shares represents the Group's subscription of preference shares in an associate company, Educ8 Group Sdn Bhd, which is categorised at fair value through profit or loss.

12.1 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date **(Level 1)**;
- (b) Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) **(Level 2)**; and
- (c) Inputs for the asset or liability which are not based on observable market data (unobservable inputs) **(Level 3)**.

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

12. Investment securities (cont'd.)

12.1 Fair value measurement (cont'd.)

The following table shows the assets measured at fair value:

Group	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2021				
Financial assets				
Financial assets at fair value through other comprehensive income				
- Quoted securities	3,673	-	-	3,673
Financial assets at fair value through profit or loss				
- Unquoted preference shares	-	-	167	167
	<u>3,673</u>	<u>-</u>	<u>167</u>	<u>3,840</u>
31 December 2020				
Financial assets				
Financial assets at fair value through other comprehensive income				
- Quoted securities	4,290	-	-	4,290
Financial assets at fair value through profit or loss				
- Unquoted preference shares	-	-	167	167
	<u>4,290</u>	<u>-</u>	<u>167</u>	<u>4,457</u>

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

13. Loans and borrowings

	Group		Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Amount repayable within one year or on demand				
Unsecured				
- Revolving credits	3,671	3,948	-	-
- Lease liabilities	52	52	-	-
- RCULS	-	6,184	-	6,184
	<u>3,723</u>	<u>10,184</u>	<u>-</u>	<u>6,184</u>
Amount repayable after one year				
Unsecured				
- Lease liabilities	-	27	-	-
Total loans and borrowings	<u>3,723</u>	<u>10,211</u>	<u>-</u>	<u>6,184</u>

13.1 Details of any collateral

The revolving credits obtained by two of the subsidiaries are guaranteed by the Company and by personal guarantee of Mr LKO.

The revolving credits are denominated in Malaysia Ringgit.

13.2 Contingent liabilities

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

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

14. Share Capital

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

Share Capital

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

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

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

14. Share Capital (cont'd.)

Convertibles

Redeemable Convertible Unsecured Loan Stocks ("RCULS")

The Company had on 27 May 2016 issued 100 RCULS due in 2021, each with a principal value of \$100,000 amounting in aggregate to a principal amount of \$10,000,000 to Mr LKO.

On 15 July 2016, Mr LKO had converted 38 RCULS valued at \$3,800,000 and accrued interest of \$2,499 into 29,249,989 then existing ordinary shares of the Company based on conversion price of \$0.13 each.

As at 30 June 2020, the aggregate number of Shares that may be issued on conversion of the RCULS and accrued interest was 48,670,145 then existing ordinary shares of the Company, representing approximately 25.0% of the issued share capital as at 30 June 2020.

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

Mr LKO had converted all remaining 62 RCULS valued at \$6,200,000 and accrued interest of \$152,216 into 2,443,160 new ordinary shares in the capital of the Company ("New Shares") at the conversion price of \$2.60 per New Shares.

Employee Share Option Scheme ("Plato ESOS 2016")

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

Pursuant to the Share Consolidation Exercise, the number of Share Options had been adjusted accordingly from 9,237,699 to 461,884 at a revised exercise price of \$2.00 per Consolidated Share.

On 16 June 2021, a total of 193,026 Share Options granted to the eligible directors had expired and not exercised by any of the eligible directors. As such, the expired Share Options of \$305,223 were reclassified within equity, from fair value and other reserves to retained earnings.

As at 30 June 2021, the remaining balance of 268,858 Share Options is convertible into 268,858 (31 December 2020: 461,884) ordinary shares of the Company, representing 2.2% (31 December 2020: 4.7%) of the issued share capital as at 30 June 2021.

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

14. Share Capital (cont'd.)

Convertibles (cont'd.)

Performance Share Plan ("Plato PSP 2016")

Under the Plato PSP 2016, the Company had on 17 June 2016 granted awards comprising 5,239,296 Shares ("Share Awards") to directors and employees of the Group.

As at 30 June 2020, the Shares issuable under the Share Awards was 4,618,853 Shares, representing approximately 2.4% of the issued share capital as at 30 June 2020.

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

No Share Awards have been released and vested since its grant date as the pre-determined performance conditions were not met. All unexercised Share Awards were reclassified within equity, from fair value and other reserves to retained earnings, amounting to \$365,178 as at 30 June 2021.

Save as disclosed, the Company did not have any other outstanding convertibles as at 30 June 2021 and 30 June 2020.

Treasury Shares and Subsidiary Holdings

The Company did not have any treasury shares or subsidiary holdings as at 30 June 2021 and 30 June 2020. As such, there were no sales, transfers, disposal, cancellation and/or use of treasury shares and subsidiary holdings as at the end of the current financial period reported on.

15. Subsequent events

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

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

1. Review

The condensed consolidated statement of financial position of Plato Capital Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

The Group's latest financial statements for the financial year ended 31 December 2020 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of performance of the Group

Six-month period ended 30 June 2021 ("6M2021") vs six-month period ended 30 June 2020 ("6M2020")

Consolidated statement of profit or loss and other comprehensive income

Overall the net loss attributable to owners of the Company in 6M2021 reduced to \$1.04 million from a net loss of \$1.94 million in 6M2020.

Revenue decreased by 11.2% in 6M2021 largely due to lower demand from customers in the IT Division's license fee services and service maintenance by Plato Solutions Sdn Bhd ("PSSB"), a wholly-owned subsidiary of the Company.

Other income increased by \$0.81 million in 6M2021 mainly due to reversal of provision for legal and professional fees in relation to the development of Ormond Hotel in Dublin by a subsidiary company, Monteco Holdings Limited ("Monteco"). In previous financial years, Monteco made provision for legal and professional fees on prudence grounds in defending actions against the Section 160 Planning and Development Act 2000 injunction application ("Section 160") and nuisance claims initiated by the neighbours (being the owners and tenant of the property adjoining to the development site of Ormond Hotel). During the financial period, the Section 160 and nuisance claims had been settled and struck-out of court, hence the legal and professional fees previously provisioned for has now been reversed and classified as other income.

Decrease in purchase of software and services costs by 25.7% in 6M2021 was in line with the decrease in revenue from the IT Division.

Employee benefits expenses increased by 12.6% in 6M2021 mainly due to new recruitment of staff within the group.

Foreign exchange net loss decreased by 20.1% in 6M2021 mainly due to the weakening of Malaysian Ringgit and Australian Dollar against the reporting currency of Singapore Dollar.

Other operating expenses reduced by 42.4% in 6M2021 mainly due to lower legal and professional fees incurred by Monteco on the development of the Ormond Hotel in Dublin.

Finance costs decreased by 16.6% in 6M2021 mainly due to partial repayment of bank borrowings and lower interest rates charged during the financial period.

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

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

Six-month period ended 30 June 2021 ("6M2021") vs six-month period ended 30 June 2020 ("6M2020") (cont'd.)

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

The Group continues to record a share of loss of joint ventures, amounting to \$0.8 million in 6M2021, mainly contributed by the share of loss in OHG Services Sdn Bhd and Ormond Lifestyle Services Sdn Bhd, 50% owned joint venture companies that operate the hotel and food and beverage operations at Tune Hotel KLIA 2 respectively. The financial performance of Tune Hotel KLIA 2 was affected by the effect of Covid-19 pandemic where demands for travel and hotel stay were negatively impacted in light of the suspension of air services and the closure of national borders regionally, and the Government of Malaysia mandated restriction of movement.

The Group recorded a higher share of profit from associates of \$0.96 million in 6M2021 from a \$0.40 million in 6M2020, mainly due to improvement in the financial performance of an associate company, TYKC Capital Sdn. Bhd. ("TYKC"), in line with higher demand from customers for precision engineering components and assemblies. The share of TYKC's profit of \$1.31 million was partially offset by the share of loss from an associate company, Educ8 Group Sdn Bhd ("Educ8") of \$0.35 million. The financial performance of Educ8 was affected by the pandemic and government policies with regards to quarantine procedures and processing of new student visas that led to a fall-off with regards to non-Malaysian student enrolment.

On other comprehensive income, the Group recorded a fair value loss on quoted equity investment of \$0.62 million in 6M2021 due to lower market price of ECM Libra Group Berhad shares.

Consolidated statement of financial position

Property, plant and equipment increased from \$13.31 million to \$13.40 million mainly due to capital expenditure incurred on the development of Ormond Hotel in Dublin.

Right-of-use assets decreased from \$0.08 million to \$0.05 million mainly due to amortisation during the financial period.

Investment in joint ventures decreased from \$16.89 million to \$15.31 million mainly due to share of loss attributed from Tune Hotel KLIA 2 (OHG Services Sdn Bhd) and Ormond Lifestyle Sdn Bhd during the financial period.

Investment in associates increased from \$14.42 million to \$15.37 million due to higher share of profit attributed from TYKC and partially offset by the share of loss attributed from Educ8 during the financial period.

Investment securities decreased from \$4.46 million to \$3.84 million due to the financial assets at fair value through other comprehensive income dropped from \$4.29 million to \$3.67 million as a result of lower market price of quoted equity investment.

Trade receivables under non-current assets amounted to \$8.42 million as at 30 June 2021 related to the provision of credit facilities by Plato Capital Sdn Bhd.

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

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

Six-month period ended 30 June 2021 ("6M2021") vs six-month period ended 30 June 2020 ("6M2020") (cont'd.)

Consolidated statement of financial position (cont'd.)

Trade receivables under current assets decreased from \$0.23 million to \$0.03 million due to lower demand from customers in the IT division and more collections during the financial period.

Decrease in capitalised contract costs - deferred maintenance costs from \$0.14 million to \$0.06 million was in line with the decrease in purchase of software and services costs in the IT Division.

Decrease in trade payables from \$0.10 million to \$0.01 million and decrease in other payables and accruals from \$1.44 million to \$0.61 million were due to timing of payments made during the financial period.

Decrease in contract liabilities - deferred revenue from \$0.28 million to \$0.13 million was in line with the decrease in revenue from the IT Division.

Amounts due to joint ventures decreased from \$0.98 million to \$0.81 million mainly due to unrealised loss on foreign currency translation of liabilities originated in Australian Dollar.

Loans and borrowings decreased by \$6.49 million from \$10.21 million to \$3.72 million mainly due to:

- (i) partial repayment of revolving credits of \$0.28 million during the financial period; and
- (ii) the liability component of RCULS of \$6.18 million was capitalised as share capital upon the conversion of RCULS by Mr LKO.

As at 30 June 2021, share capital increased from \$40.88 million to \$48.39 million due to Mr LKO having on 23 April 2021 converted the remaining 62 RCULS into 2,443,160 new ordinary shares of the Company amounting to \$7.52 million.

Deficit in fair value and other reserves increased from \$0.32 million to \$2.77 million due to:

- (i) the equity component of RCULS of \$1.16 million being reclassified from fair value and other reserves to share capital upon the conversion of RCULS by Mr LKO;
- (ii) the aggregate total of unexercised Share Options and Share Awards of \$0.67 million was reclassified from fair value and other reserve to retained earnings as at 30 June 2021; and
- (iii) fair value loss on quoted equity investment amounting to \$0.62 million due to lower market price of ECM Libra Group Berhad shares.

The Group was in a net current liabilities position of \$3.54 million as at 30 June 2021, of which \$3.72 million related to loans and borrowings.

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

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

Six-month period ended 30 June 2021 ("6M2021") vs six-month period ended 30 June 2020 ("6M2020") (cont'd.)

Consolidated statement of financial position (cont'd.)

The Directors are of the view that the Group will have continued access to the banking facilities made available to the Group. Mr LKO has committed to the Group not to withdraw his personal guarantees to the Group's current banking facilities so as to enable the Group to have continuous access to these banking facilities. Further to that, the Directors are of the view that the Group will be able to secure additional borrowings if necessary by securing its long-term assets which are currently unencumbered.

Notwithstanding the negative working capital position, the Directors confirm that the Group is able to meet its short-term debt obligations as and when they fall due for the reasons set out above.

Consolidated statement of cash flows

Decrease in cash and cash equivalents was attributed largely to the cash used in operating and financing activities.

Net cash flows used in operating activities amounted to \$1.00 million were mainly related to the Group's administrative expenses and project related expenses in connection with the development of Ormond Hotel in Dublin.

Net cash flows generated from investing activities amounted to \$0.34 million were mainly related to the dividend received from a joint venture company, Ormond Lifestyle Sdn Bhd, net off with capital expenditure incurred on the development of Ormond Hotel in Dublin.

Net cash flows used in financing activities amounted to \$0.33 million were mainly the repayment of bank borrowings of \$0.22 million.

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

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

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The COVID-19 pandemic continues to impact the Group's hospitality and education portfolio. As the Group's operations are primarily located in Malaysia, the country's continued closure of borders and repeated movement control orders have prevented a sustained recovery in hotel occupancies and student marketing activities in the core markets of North Asia. Whilst the Group continues to focus on realising cost and operational efficiencies, most of these have been realised over the course of the past year and the near to medium-term outlook remains challenging.

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

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

None. No dividend has been declared or recommended during the current financial period reported on as the Group intends to conserve cash for future investments and capital working requirements.

5b. Corresponding Period of the Immediate Preceding Financial Year

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

None.

5c. Date Payable

Not applicable.

5d. Books Closure Date

Not applicable.

6. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H under Rule 720(1))

The Company has received undertaking from all its directors and executive officers (in the format set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Disclosure of acquisition and realisation of shares pursuant to Catalyst Rule 706A

Not applicable. There was no incorporation of new entities, acquisitions and realisation of shares during 6M2021.

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

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Kian Onn
Director

Navinderjeet Singh A/L Naranjan Singh
Director

Singapore
11 August 2021

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange"), and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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