



SEVENS ATELIER LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197902790N)

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS AND THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS AND THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	GROUP					
		6 months ended 31 December		Incr/ (Decr)	12 months ended 31 December		Incr/ (Decr)
		2022	2021		2022	2021	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
			(re-presented)		(re-presented)		
Revenue	5	6,655	-	NM	6,655	-	NM
Cost of sales		(5,425)	-	NM	(5,425)	-	NM
Gross profit		1,230	-	NM	1,230	-	NM
Marketing and distribution costs		(122)	-	NM	(122)	-	NM
Administrative expenses		(2,639)	(564)	367.9	(2,932)	(914)	220.8
Finance costs		(14)	-	NM	(14)	-	NM
Other losses		-	-	NM	-	-	NM
Loss on disposal		-	-		-	-	
Share of profit / (loss) from equity-accounted associate		-	-	NM	-	-	NM
Share of (loss) from equity-accounted joint ventures		-	-	NM	-	-	NM
Loss before tax from continued operations	6	(1,545)	(564)	NM	(1,838)	(914)	NM
Income tax income		136	-	NM	136	-	NM
(Loss) / Profit from discontinued operations, net of tax	4B	(2,705)	1,539		(2,753)	440	
(Loss) / Profit net of tax		(4,114)	975	NM	(4,455)	(474)	NM
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation							
- Gains		-	(75)	NM	61	-	NM
- Reclassification to profit or loss arising from disposal of subsidiaries, assets and liabilities		-	109	NM	-	109	NM
Other comprehensive income for the year, net of tax		-	34	NM	61	109	NM
Total comprehensive loss		(4,114)	1,009	NM	(4,394)	(365)	NM
(Loss) / Profit attributable to owners of the parent, net of tax:		(4,114)	975	NM	(4,455)	(474)	NM
(Loss) / Profit net of tax		(4,114)	975	NM	(4,455)	(474)	NM
Total comprehensive loss attributable to owners of the parent		(4,114)	1,009		(4,394)	(365)	
Total comprehensive loss		(4,114)	1,009	NM	(4,394)	(365)	NM
Loss per share		Cents	Cents		Cents	Cents	
Basic and diluted		1.92	0.46		2.08	0.22	

NM - Not Meaningful

* Re-presented - Please refer to Note 4B at Selected Notes to the Interim Financial Statements.

Remark: The unaudited net profit of Target, being the current businesses of the Company, was erroneously indicated as \$54,714 in Company's circular dated 20 May 2022 (page 21, paragraph 4.3). The Target's unaudited net profit for the twelve months ended 31 December 2021 should have been \$1,621,133.

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2022**

	Note	Group		Company	
		2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	8	791	10,032	-	3,855
Right-of-use assets		606	539	-	-
Provisional Customer Contracts		2,025	-	-	-
Provisional Goodwill		10,095	-	-	-
Investments in subsidiaries		-	-	12,000	3,236
Investments in associate		-	206	-	-
Investments in joint ventures		-	62	-	-
Other assets, non-current		-	342	-	241
Total non-current assets		13,517	11,181	12,000	7,332
Current assets					
Asset held for sale		-	30	-	-
Inventories		11	920	-	-
Trade and other receivables, current	9	1,899	9,346	367	4,692
Contract assets, current		227	1,448	-	-
Other assets, current		-	2,776	2	42
Cash and cash equivalents		2,402	3,669	122	653
Total current assets		4,539	18,189	491	5,387
Total assets		18,056	29,370	12,491	12,719
EQUITY AND LIABILITIES					
Equity attributable to owner of the parent					
Share capital	12	15,300	15,300	15,300	15,300
Other reserves		-	(61)	-	-
Accumulated losses		(4,801)	(346)	(3,790)	(3,620)
Equity, attributable to owners of the parent		10,499	14,893	11,510	11,680
Non-controlling interests		-	-	-	-
Total equity		10,499	14,893	11,510	11,680
Non-current liabilities					
Other financial liabilities, non-current		511	2,912	-	-
Lease liabilities, non-current		544	496	-	74
Total non-current liabilities		1,055	3,408	-	74
Current liabilities					
Liabilities associated with asset held for sale		-	18	-	-
Income tax payable		-	22	-	-
Other financial liabilities, current		-	2,446	-	-
Lease liabilities, current		74	243	-	35
Contract liabilities, current		3,219	275	-	-
Trade and other payables, current	10	3,209	8,065	981	930
Total current liabilities		6,502	11,069	981	965
Total liabilities		7,557	14,477	981	1,039
Total equity and liabilities		18,056	29,370	12,491	12,719
Net Asset value per ordinary share based on issued share capital		4.90 Singapore Cents	6.95 Singapore Cents	5.37 Singapore Cents	5.45 Singapore Cents

**CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

		Group	
	Note	2022 S\$'000	2021 S\$'000
Cash flows from operating activities			
Loss before tax from continuing operations		(1,837)	-
Loss before tax from discontinued operations		(2,753)	(255)
Adjustments for:			
Allowance for impairment on property, plant and equipment		-	63
Amortisation of intangible assets		811	-
Depreciation of property, plant and equipment	6	104	681
Depreciation of right-of-use assets	6	98	360
Interest income		-	(50)
Interest expense		13	165
Loss on disposal of Disposal Assets	4B	3,293	-
Gain on disposal of plant and equipment		-	(23)
Share of profit from equity-accounted associate		-	(16)
Share of loss from equity-accounted joint ventures		-	256
Operating cash flow before changes in working capital		<u>(271)</u>	<u>1,181</u>
Trade and other receivables		(4,662)	(787)
Contract assets		1,677	(483)
Other assets		3,014	(1,770)
Inventories		(363)	235
Trade and other payables		444	992
Contract liabilities		<u>2,565</u>	<u>(476)</u>
Net cash flows from / (used in) operations		2,404	(1,108)
Income taxes (paid) / refunded		(228)	(237)
Effect of exchange rate changes on operating activities		59	
Net cash flows from / (used in) operating activities		<u>2,235</u>	<u>(1,345)</u>
Cash flows from investing activities			
Disposal of Disposal Assets (net of cash disposed)	4B	7,586	-
Increase of investment in joint venture		-	(260)
Acquisition of subsidiaries, net of cash acquired		(9,885)	-
Interest received		-	8
Proceeds from disposal of plant and equipment		-	73
Purchase of property, plant and equipment		-	(315)
Net cash flows used in investing activities		<u>(2,299)</u>	<u>(494)</u>
Cash flows from financing activities			
Increase in borrowings		-	1,469
Interest paid		-	(122)
Repayment of bank borrowing		(1,102)	(955)
Lease liability - principal & interest portion paid		(128)	(221)
Net cash flows (used in) / from financing activities		<u>(1,230)</u>	<u>171</u>
Net decrease in cash and cash equivalents		(1,294)	(1,668)
Effect of exchange rate changes on cash and cash equivalent		-	(30)
Cash and cash equivalents, statement of cash flows, beginning balance		<u>3,696</u>	<u>5,394</u>
Cash and cash equivalents, statement of cash flows, ending balance		<u>2,402</u>	<u>3,696</u>

**STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Share Capital S\$'000	Other Reserves S\$'000	(Accumulated losses) / Retained Earnings S\$'000	Attributable to Parent sub-total S\$'000	Non- Controllin g Interests S\$'000	Total Equity S\$'000
GROUP:						
Current Year, 2022						
Balance as at 1 January 2022	15,300	(61)	(346)	14,893	-	14,893
Movements in equity:						
Total comprehensive income / (loss) for the year	-	61	(4,455)	-	-	(4,394)
Balance as at 31 December 2022	15,300	-	(4,801)	14,893	-	10,499
Previous year, 2021						
Balance as at 1 January 2021	15,300	(170)	128	15,258	-	15,258
Movements in equity:						
Total comprehensive income / (loss) for the year	-	109	(474)	(365)	-	(365)
Balance as at 31 December 2021	15,300	(61)	(346)	14,893	-	14,893
COMPANY:						
Current Year, 2022						
Balance as at 1 January 2022	15,300	-	(3,620)	11,680	-	11,680
Movements in equity:						
Total comprehensive income for the year	-	-	(170)	(170)	-	(170)
Balance as at 31 December 2022	15,300	-	(3,790)	11,510	-	11,510
Previous year, 2021						
Balance as at 1 January 2021	15,300	-	(2,140)	13,160	-	13,160
Movements in equity:						
Total comprehensive loss for the year	-	-	(1,480)	(1,480)	-	(1,480)
Balance as at 31 December 2021	15,300	-	(3,620)	11,680	-	11,680

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General

Sevens Atelier Limited (the “**Company**”) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the Company, which is also the ultimate holding company, and its subsidiaries (the “**Group**”).

All financial information has been rounded to the nearest thousand (S\$’000), except where otherwise indicated.

The principal activity of the Company is that of an investment holding company.

The principal activities of the Group comprise :

- investment holding;
- building construction; and
- renovation and interior design.

The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited.

The registered office of the Company is located at 60 Paya Lebar Road, Paya Lebar Square, #10-14, Singapore 409051. The Company is situated in Singapore.

2. Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS (I) s**”) 1-34 Interim Financial Reporting (“**Standards**”) 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 since the Group’s last annual report for the financial year ended 31 December 2021. They are also in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and the provisions of the Catalist Rules.

The accounting policies adopted are consistent with those of the previous financial year, which were prepared in accordance with SFRS(I)s, and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements for the financial year ended 31 December 2021 and public announcement made by the Company during the interim reporting period, except for the adoption of new and amended standards as mentioned in Note 2.1.

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

2.1 New and amended standards adopted by the Group

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

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

2.2 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 expense. Actual results may differ from these estimates.

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

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.

3. Seasonality of operations

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

4. Financial information by operating segment

4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard in relation to Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

For management purposes, the Group's reporting operating segments are as follows:

- a. Sevens Build – building construction and design
- b. Sevens Design – renovation and interior design

The segments are managed separately as each business requires different strategies. Performance is measured based on segment profit after tax, that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The Group operates in Singapore.

4B. Discontinued operations

On 14 June 2022, the Group completed the disposed of all of its business and subsidiaries dealing in the following types of products and services (the "**Disposal Assets**"), for a consideration of S\$12 million:

- (1) General trading ("**GT**") – Trading of water piping materials and related accessories;
- (2) Engineering solutions ("**ES**") – Provision of specialised products to water infrastructure products;
- (3) Valves ("**VA**") – Valves for municipal and industrial applications; and
- (4) Others – Supply of parts and accessories in Oil & Gas industry and other non–water related products.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

Upon completion of the disposal, the Group no longer operates in all business operations relating to piping, valves and engineering solutions. Accordingly, the disposed group and business operating results have been presented as discontinued operations in the financial year under review. The disposed segment was not previously presented as discontinued operations as at 31 December 2021, hence, the comparative statement of profit and loss has been re-presented to show the discontinued operations separately from continuing operations.

	Group 2022 (S\$'000)
Effect of disposal on the financial position of the Group:	
Property, plant and equipment	9,767
Right-of-use assets	389
Investments in associate	206
Investments in joint ventures	62
Other assets	241
Asset held for sale	29
Inventories	1,282
Trade and other receivables	12,392
Income tax recoverable	97
Contract assets	1,058
Cash and cash equivalents	4,414
Total assets	<u>29,937</u>
Liabilities associated with asset held for sale	(17)
Other financial liabilities	(4,443)
Lease liabilities	(405)
Trade and other payables	(9,779)
Total liabilities	<u>(14,644)</u>
Net assets disposed	15,293
Loss on disposal	<u>(3,293)</u>
Sale consideration	12,000
Cash balance from discontinued operations disposed of	<u>(4,414)</u>
Net cash inflow	<u>7,586</u>

Analysis of the result of discontinued operations and the results recognised on the re-measurement of disposal group is as follows:

	Group	
	01/01/22 to 14/06/2022 (S\$'000)	01/01/21 to 31/12/2021 (S\$'000)
Revenue	5,462	22,240
Cost of sales	<u>(3,490)</u>	<u>(15,669)</u>
Gross profit	1,972	6,571
Interest income	11	50
Other gains	797	502
Marketing and distribution costs	(506)	(1,467)
Administrative expenses	(1,664)	(4,432)
Finance costs	(70)	(165)
Other losses	-	(1,074)
Share of loss from equity-accounted associate	-	16
Share of loss from equity-accounted joint ventures	-	<u>(256)</u>
Profit / (Loss) before tax	540	(255)
Income tax expense	-	<u>(219)</u>
Profit / (loss) before tax before disposal loss for the period	540	(474)
Loss on disposal	<u>(3,293)</u>	-
Total loss on discontinued operations	<u>(2,753)</u>	<u>(474)</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4C. Acquisitions

On 14 June 2022, the Group completed the acquisition of 100% equity interest in Sevens Creation Pte Ltd. Upon the acquisition, Sevens Creation Pte Ltd and its wholly-owned subsidiaries (“**Sevens Creation Group**”), namely Sevens Build Pte Ltd and Sevens Design Pte Ltd, became direct or indirect wholly-owned subsidiaries of the Company. The purchase consideration was S\$12 million.

The fair values of identifiable assets acquired and liabilities assumed shown below for Sevens Creation Pte Ltd are provisional as the hindsight period (of not more than twelve months) allowed by the financial reporting standard on business combinations has not yet expired. A detailed report from an independent professional valuer on the fair values is expected to be available before the end of the next reporting year.

	Group 2022 (S\$'000)
Effect of acquisition on financial position of the Group:	
	<u>Provisional fair value</u>
Property, plant and equipment	885
Right-of-use assets	373
Intangible assets	4
Inventories	10
Trade and other receivables	606
Other assets	-
Contract assets	1,135
Cash and cash equivalents	2,115
Total assets	<u>5,128</u>
Other financial liabilities	(186)
Lease liabilities	(381)
Income tax payable	(110)
Other liabilities	(476)
Trade and other payables	(4,425)
Deferred liabilities	(482)
Total liabilities	<u>(6,060)</u>
Net assets acquired	(932)
Total consideration	<u>(12,000)</u>
	<u>(12,932)</u>
Intangible Assets - Provisional Goodwill	10,096
Intangible Assets - Customer Contract	2,836
	<u>12,932</u>
Net purchase consideration	-
<u>Net cash outflow</u>	
Total consideration	12,000
Less: Cash and Cash equivalent acquired	(2,115)
Less: Amount due to vendor	-
Net cash outflow	<u>9,885</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4. Financial information by operating segment (cont'd)

4D. Profit or loss from continuing operations and reconciliations

<u>Continuing Operations</u>	<u>Building</u>	<u>Renovation</u>	<u>Others</u>	<u>Unallocated Consolidated</u>	
	<u>construction</u>	<u>and interior</u>		<u>2022</u>	<u>2022</u>
	<u>& design</u>	<u>design</u>			
<u>6 months ended December</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>	
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Revenue by segment</u>					
External sales	5,702	1,595	(641)		6,656
Result :-					
Segment result	1,463	408	(641)		1,230
Finance costs			(14)		(14)
Other gains			101		101
Amortisation of customer contract			(810)		(810)
Depreciation of property, plant and equipment			(104)		(104)
Depreciation of right-of-use assets			(99)		(99)
Employee benefits expenses			(865)		(865)
Other losses			(984)		(984)
Loss before income tax from continuing operations					(1,545)
Income tax expenses					136
Loss from discontinued operations, net of tax					(2,705)
Net loss after tax					(4,114)

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4. Financial information by operating segment (cont'd)

4D. Profit or loss from continuing operations and reconciliations (con't)

<u>12 months ended December</u>	2022	2022	2022	2022	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Revenue by segment</u>					
External sales	5,702	1,595	(642)		6,655
Result :-					
Segment result	1,463	408	(641)		1,230
Finance costs			(14)		(14)
Other gains			101		101
Amortisation of customer contract			(810)		(810)
Depreciation of property, plant and equipment			(104)		(104)
Depreciation of right-of-use assets			(99)		(99)
Employee benefits expenses			(1,205)		(1,205)
Other losses			(937)		(937)
Other unallocated expenses					
Loss before income tax from continuing operations					(1,838)
Income tax expenses					136
Loss from discontinued operations, net of tax					(2,753)
Net loss after tax					(4,455)

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4. Financial information by operating segment (cont'd)

4E. Profit or loss from discontinued operations and reconciliations

<u>Discontinued Operations</u> <u>6 months ended 31 December</u>	<u>General Trading</u>		<u>Engineering Solutions</u>		<u>Valves</u>		<u>Others</u>		<u>Unallocated</u>		<u>Consolidated</u>	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Discontinued Operations</u>												
<u>Revenue by segment</u>												
External sales	-	8,619	-	5,573	-	1,669	-	21	-	-	-	15,882
Result :-												
Segment result	-	3,026	-	1,642	-	96	-	6	-	-	-	4,770
Interest income									-	27	-	27
Finance costs									-	(77)	-	(77)
Amortisation of land use rights									-	-	-	-
Depreciation of property, plant and equipment									-	(334)	-	(334)
Depreciation of right-of-use assets									-	(178)	-	(178)
Employee benefits expenses									-	(1,154)	-	(1,154)
Unallocated corporate expense									-	(355)	-	(355)
Other gains / (loss)									-	(764)	-	(764)
Share of profit/(loss) from equity-accounted associate									-	19	-	19
Share of loss from equity-accounted joint ventures									-	(239)	-	(239)
Profit before income tax											-	1,715
Income tax expenses												(176)
Net profit after tax											-	1,539

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4. Financial information by operating segment (cont'd)

4E. Profit or loss from discontinued operations and reconciliations

<u>Discontinued Operations</u> <u>12 months ended</u>	<u>General Trading</u>		<u>Engineering Solutions</u>		<u>Valves</u>		<u>Others</u>		<u>Unallocated</u>		<u>Consolidated</u>	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Discontinued Operations</u>												
<u>Revenue by segment</u>												
External sales	4,482	11,937	-	7,664	988	2,578	13	61	(21)	-	5,462	22,240
Result :-												
Segment result	1,711	4,141	-	2,114	267	285	3	31	(9)	-	1,972	6,571
Interest income									11	50	11	50
Finance costs									(70)	(165)	(70)	(165)
Amortisation of land use rights									-	-	-	-
Depreciation of property, plant and equipment									(284)	(681)	(284)	(681)
Depreciation of right-of-use assets									(148)	(360)	(148)	(360)
Employee benefits expenses									(1,607)	(2,754)	(1,607)	(2,754)
Unallocated corporate expense									-	(1,190)	-	(1,190)
Other gains / (loss)									666	(572)	666	(572)
Share of profit/(loss) from equity-accounted associate									-	16	-	16
Share of loss from equity-accounted joint ventures									-	(256)	-	(256)
Loss on disposal of Disposal Assets											(3,293)	-
Profit before income tax											(2,753)	659
Income tax expenses											-	(219)
Net profit after tax											(2,753)	440

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4. Financial Information by operating segment (cont'd)

4F. Assets, liabilities and reconciliations

<u>Continuing Operations</u>	<u>Building construction & design</u>	<u>Renovation and interior design</u>	<u>Others</u>	<u>Others</u>	<u>Unallocated</u>	<u>Discontinued</u>	<u>Consolidated</u>
<u>Business Segments</u>	<u>31-Dec-22</u>	<u>31-Dec-22</u>	<u>31-Dec-22</u>	<u>31-Dec-22</u>	<u>31-Dec-22</u>	<u>31-Dec-22</u>	<u>31-Dec-22</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<u>Segment assets</u>							
Trade and other receivables	1,653	123	152	-	-	-	1,928
Contract assets	227	-	-	-	-	-	227
Property, plant and equipment	719	-	-	-	-	-	719
Right-of-Use assets	527	-	78	-	-	-	605
Cash and cash equivalents	1,567	702	133	-	-	-	2,402
Other assets	82	-	-	-	-	-	82
Provision for doubtful debts	-	-	(28)	-	-	-	(28)
Intangible asset - Customer Contract pro	2,026	-	-	-	-	-	2,026
Provisional goodwill	-	-	10,095	-	-	-	10,095
Total assets	6,801	825	10,430	-	-	-	18,056
<u>Segment liabilities</u>							
Trade and other payables	1,682	697	713	-	-	-	3,092
Other financial liabilities	-	166	-	-	-	-	166
Lease liabilities	539	-	80	-	-	-	619
Provision for reinstatement cost	97	-	-	-	-	-	97
Provision for unutilised leave	-	-	20	-	-	-	20
Deferred Tax Liability	-	-	344	-	-	-	344
Contract liabilities	3,139	80	-	-	-	-	3,219
Total liabilities	5,457	943	1,157	-	-	-	7,557

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4. Financial Information by operating segment (cont'd)

4F. Assets, liabilities and reconciliations (cont'd)

	<u>General</u>	<u>Engineering</u>				
<u>Discontinued Operations</u>	<u>Trading</u>	<u>Solutions</u>	<u>Valves</u>	<u>Others</u>	<u>Unallocated</u>	<u>Consolidated</u>
<u>Business Segments</u>	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>Segment assets</u>						
Trade and other receivables	3,592	2,602	810	2,342	-	9,346
Contract assets	266	1,182	-	-	-	1,448
Property, plant and equipment	-	-	-	-	10,032	10,032
Right-of-Use assets	-	-	-	-	539	539
Cash and cash equivalents	-	-	-	-	3,669	3,669
Asset held for sale under FRS 105	-	-	-	-	30	30
Other assets	-	-	-	-	3,118	3,118
Others	-	-	-	-	1,188	1,188
Total assets	3,858	3,784	810	2,342	18,576	29,370
<u>Segment liabilities</u>						
Trade and other payables	-	-	-	-	8,065	8,065
Other financial liabilities	-	-	-	-	5,358	5,358
Lease liabilities	-	-	-	-	739	739
Liabilities associated with assets held for sale under SFRS(I) 5	-	-	-	-	18	18
Income tax payable	-	-	-	-	-	-
Others	-	-	-	-	297	297
Total liabilities	-	-	-	-	14,477	14,477

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

4. Financial information by operating segment (cont'd)

4F. Geographical information

On 14 June 2022, the Group disposed of the Disposal Assets that deal in the following types of products and services:

- (1) General trading (“**GT**”) – Trading of water piping materials and related accessories;
- (2) Engineering solutions (“**ES**”) – Provision of specialised products to water infrastructure products;
- (3) Valves (“**VA**”) – Valves for municipal and industrial applications; and
- (4) Others – Supply of parts and accessories in Oil & Gas industry and other non–water related products.

With the disposal, the Group fully exits the above businesses.

On the same day, the Group acquired Sevens Creation Pte Ltd and its wholly-owned subsidiaries (“**Sevens Creation Group**”), namely Sevens Build Pte Ltd and Sevens Design Pte Ltd, and thereby diversified into construction, renovation and design businesses (the “**New Business**”).

The New Business operates in Singapore and, accordingly, an analysis of non-current assets and revenue of the Group by geographical distribution has not been presented as it is not meaningful.

5. Revenue

The Group has disaggregated revenue in the following table which is intended to enable users to understand the revenue segment information provided to the financial statements:

	Group 6 Months Ended 31 December		Group 12 Months Ended 31 December	
	2022	2021	2022	2021 (Re-presented)
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Timing of transfer of goods and services				
- Over time	6,655	-	6,655	-
Type of goods and services				
- Construction, renovation and design	6,655	-	6,655	-

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

6. Loss before taxation

The following items have been included in arriving at loss before taxation:

	Group		Group	
	6 months ended		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation – Property, Plant and Equipment				
Continuing operations	284	-	214	-
Discontinued operations	-	329	284	633
Depreciation – Right-of-Use Asset				
Continuing operations	191	-	191	-
Discontinued operations	-	178	148	360
Employees Benefits Expense				
Continuing operations	1,170	-	1,170	-
Discontinued operations	-	1,514	1,110	3,464
Interest Expenses				
Continuing operations	12	-	12	-
Discontinued operations	-	77	69	165
Interest Income				
Continuing operations	-	-	-	-
Discontinued operations	-	27	11	50

7. Income tax income

The income tax credit is mainly due to recognition of deferred tax of S\$138,000 in relation to recognition of the customer contracts arose from the acquisition of Sevens Creation Group.

8. Property, plant and equipment

During the financial year, the Group acquired assets amounted to S\$885,000 through the acquisition of Sevens Creation Group (31 December 2021: S\$315,000)

During the financial year, the Group disposed of assets amounting to S\$9,767,000 (31 December 2021: S\$547,000), mainly related to the Proposed Disposal approved by Shareholders at the extraordinary general meeting held on 14 June 2022.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

9. Trade and other receivables

	<u>Group</u>		<u>Company</u>	
	<u>31</u> <u>December</u> <u>2022</u> S\$'000	<u>31</u> <u>December</u> <u>2021</u> S\$'000	<u>31</u> <u>December</u> <u>2022</u> S\$'000	<u>31</u> <u>December</u> <u>2021</u> S\$'000
<u>Trade receivables:</u>				
Outside parties	1,609	7,408	-	4
Less allowance for expected credit losses	-	(797)	-	-
Subsidiaries	-	-	252	762
Less allowance for expected credit losses	-	-	-	(206)
Related parties	-	578	-	120
Trade receivables – subtotal	<u>1,609</u>	<u>7,189</u>	<u>252</u>	<u>680</u>
<u>Other receivables:</u>				
Related parties		2,124	-	30
Subsidiaries	-	-	-	8,108
Less allowance for expected credit losses	-	-	-	(4,126)
Outside parties	319	38	144	5
Less allowance for expected credit losses	(29)	(5)	(29)	(5)
Other receivables – subtotal	<u>290</u>	<u>2,157</u>	<u>117</u>	<u>4,012</u>
Total trade and other receivables	<u>1,899</u>	<u>9,346</u>	<u>367</u>	<u>4,692</u>

The average credit period generally granted to trade receivable customers is about 60 to 90 days (2021: 60 to 90 days), but some customers take a longer period to settle the amounts.

10. Trade and other payables

	<u>Group</u>		<u>Company</u>	
	<u>31</u> <u>December</u> <u>2022</u> S\$'000	<u>31</u> <u>December</u> <u>2021</u> S\$'000	<u>31</u> <u>December</u> <u>2022</u> S\$'000	<u>31</u> <u>December</u> <u>2021</u> S\$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	693	2,754	155	-
Related parties	-	564	-	-
Subsidiaries	-	-	80	25
Trade payables – subtotal	<u>693</u>	<u>3,318</u>	<u>235</u>	<u>25</u>
<u>Other payables:</u>				
Outside parties	2,319	2,016	327	257
Ultimate parent company	-	795	-	445
Related parties	-	163	-	-
Subsidiaries	-	-	424	887
Advances received from customers	197	1,773	-	115
Other payables – subtotal	<u>2,516</u>	<u>4,747</u>	<u>741</u>	<u>905</u>
Total trade and other payables	<u>3,209</u>	<u>8,065</u>	<u>981</u>	<u>930</u>

The average credit period generally granted by trade payables suppliers is about 30 to 90 days (2021: 30 to 90 days).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

11. Aggregate amount of the group's borrowings and debt securities

	As at 31 December 2022		As at 31 December 2021	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	unsecured S\$'000
Amount repayable within one year	-	49	2,446	-
Amount repayable after one year	-	137	2,912	-

The Group's bank borrowing of S\$166,000 as at 31 December 2022 (31 December 2021: S\$5,358,000) is covered by guarantee by a director of one of the subsidiaries. The Group took over the bank borrowing when it acquired Sevens Creation Group.

12. Share capital

	<u>Group and Company</u>	
	<u>Number of shares issued</u>	<u>Share capital S\$'000</u>
Ordinary shares of no par value:		
Balance at 1 January 2021, 31 December 2021 and 2022	<u>214,202,036</u>	<u>15,300</u>

The ordinary shares of no par value which are fully paid carry no right to fixed income. The Company is not subject to any externally imposed capital requirements.

13. Financial instruments: information on financial risks

13A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting period:

	<u>Group</u>		<u>Company</u>	
	<u>31 December 2022</u>	<u>31 December 2021</u>	<u>31 December 2022</u>	<u>31 December 2021</u>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	<u>4,302</u>	<u>13,015</u>	<u>492</u>	<u>5,345</u>
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	<u>3,855</u>	<u>14,162</u>	<u>981</u>	<u>1,039</u>

13B. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS (cont'd)

14. Events after the end of the reporting period

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

Other information required by Appendix 7C of the Catalyst Rules

The consolidated statement of financial position of Sevens Atelier Limited and its subsidiaries as at 30 June 2022 and the related consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period ended 30 June 2022 and certain explanatory notes have not been audited or reviewed by the Company's auditors.

1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's Business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

On 14 June 2022, the Group disposed of all of its business and subsidiaries (the "**Disposal Assets**") dealing in the following types of products and services:

- (1) General trading ("**GT**") – Trading of water piping materials and related accessories;
- (2) Engineering solutions ("**ES**") – Provision of specialised products to water infrastructure products;
- (3) Valves ("**VA**") – Valves for municipal and industrial applications; and
- (4) Others – Supply of parts and accessories in Oil & Gas industry and other non-water related products.

With the disposal, the Group fully exits the above businesses (the "**Discontinued Operations**")

On the same day, the Group acquired Sevens Creation Pte Ltd and its wholly-owned subsidiaries ("**Sevens Creation Group**"), namely Sevens Build Pte Ltd and Sevens Design Pte. Ltd., and thereby diversified into construction, renovation and design businesses (the "**New Business**").

Revenue

During the year the Group's revenue of S\$6,655,000 from the New Business and this recorded in continuing operations.

Gross Profit

Gross profit of S\$1,230,000.90 was related to the New Business for the period from 1 July 2022 to 31 December 2022.

Administrative Expenses

Administrative expenses of S\$2,932,000 was mainly made up of employee benefits, depreciation and amortization of customer contracts arise from acquisition of Sevens Creation Group. The administrative expenses as announced in the condensed interim financial statements for the six months period ended 30 June 2022 comprised only directors' remuneration.

Financial Position and Working Capital of the Group

Assets

On 14 June 2022, the Group disposed of the Disposed Assets. The fixed assets shown in the Financial Position represented the assets acquired from Seven Creation Group. During the period from 1 July 2022 to 31 December 2022, the Group did not acquire any new assets.

Liabilities

On 14 June 2022, the Group disposed of all the liabilities in connection with the Disposed Assets. The liabilities shown in the Condensed Interim Statements of Financial Position are the liabilities arose since the acquisition of Seven Creation Group.

Statement of Cash Flows

For FY2022, the Group generated net cash from operating activities amount to S\$2.238 million arising from changes in working capital after taking in the losses for the year. The Group recorded cash flow from contract assets and contract liabilities of S\$1,677 million and S\$2.565 million respectively. The cash flow from other assets of S\$3.014 million was mainly due to utilization of prepayment. The increase in cash flow is partially offset by cash flow used in trade and other receivable and inventories of S\$4.662 million and S\$0.36 million respectively.

The net cash flow from investing activities were for the acquisition of Sevens Creation Group for the amount of \$9.888 million and proceeds from disposal of Disposal Assets for S\$7,586 million.

As at 31 December 2022, the Group's current liabilities exceeds its current assets. Nevertheless, the Board is of the view that the Group is able to pay off its short term liabilities as and when they are due and its operations for the next 12 months will not be affected after considering the following;

- 1) There is approximately S\$18 million worth of projects in progress;
- 2) The forecasted cashflow for FY ending 31 December 2023 is positive; and
- 3) The strong cash position of the Group as at 31 December 2022.

Net cash from financing activities were mainly due to settlement of bank borrowing and lease liabilities.

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

No forecast, or a prospect statement, has been previously disclosed.

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

According to the Ministry of Trade and Industry Singapore advance estimates released on 3rd January 2023, Singapore overall construction grew by 10.4% year-on-year in the 4th quarter, accelerating from 7.8% growth in the previous quarter. However, in absolute terms, the value-added of the construction sector remained at 19.3% below pre-pandemic (ie, fourth quarter of 2019) level. On a quarter-on-quarter seasonally-adjusted basis, the sector expanded by 0.4% in the fourth quarter, extending the 3.8% expansion in the third quarter.

The Group's new business in Design & Build has been encouraging over the last 6 months of its operation. We are seeing a continued demand for reconstruction and turnkey projects of landed homes, largely due to the high replacement cost of acquisitions. Despite the apparent stabilization of the supply chain disruption and escalation of material costs, material costs remain higher than the pre-covid pandemic level. While all seems well and demand exceeds supply (reported on CNA on 21st Dec 2022), we cannot disregard the continued challenges of labour shortages where retired skilled workers are repatriated back home, leaving behind a large skill gap amongst the younger generation of skilled workers. Such issues will potentially pose operational challenges in the construction industry, in the form of delays and quality standard.

Despite the potential challenges, the Group manages to deliver our construction projects on time. Thanks to a streamlined monitoring system and good practices put in place and an abled team of key managers who closely monitor the progress of each and every project in the pipeline, to ensure timely delivery of the Group's projects. The group has good cash balances to meet its current working capital and day-to-day operations requirement and will be cautiously positively exploring new business opportunities both within Singapore or in the region for sustainable growth.

As at 31 December 2022, there is approximately \$18 million worth of projects in progress.

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

There is no change in the Company’s share capital from 31 December 2021 up to 31 December 2022. The Company’s share capital as at 31 December 2021 and 31 December 2022 remained at S\$15,300,000 and comprised 214,202,036 shares.

There were no convertible securities, treasury shares or subsidiary holdings outstanding as at the end of 31 December 2021 and 31 December 2022.

5. To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Total Number of issued shares (excluding treasury shares)
As at 31 December 2021	214,202,036
As at 31 December 2022	214,202,036

The Company did not have any treasury shares during and as at the end the current financial period reported on.

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

7. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed by the Company’s auditors.

9. Where the figures have been audited or reviewed, the auditors’ report (including any modifications or emphasis of a matter).

Not applicable.

10. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern):—

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

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

Not applicable as the Group's latest audited financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

The Group has applied the same accounting policies and methods of computation in the Group's financial statements for the current financial period as compared to the audited financial statements for the financial year ended 31 December 2021.

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

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") and amendments and interpretations of SFRS(I)s that are relevant to its operations and effective from 1 January 2022.

The adoption of these pronouncements did not have any significant impact on the financial performance or position of the Group.

13. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: -

- (a) current period reported on; and**
- (b) immediately preceding financial year**

Please refer to the condensed interim statements of financial position on page 2 of this Condensed Interim Financial Statements.

14. Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended).

No dividend has been recommended or declared for 2H 2022.

(b) Interim or Final dividend per share

Not applicable.

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

Not applicable.

(d) Date the dividend is payable

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended for the financial year ended 31 December 2022 and 31 December 2021 respectively as the Group deems it appropriate to retain cash for its operations.

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

The Company does not have an existing interested person transaction general mandate pursuant to Rule 920 of the Catalist Rules.

On 28 April 2022, the Company entered into an agreement with Incarich Pte Ltd (the “Purchaser”) to sell all its assets and liabilities to the Purchaser for a consideration of S\$12 million. Mr Richard Koh, the immediate former Executive Chairman & Chief Executive Officer of the Company, is the sole shareholder and sole director of the Purchaser. The transaction was approved by shareholders at the EGM held on 14 June 2022 and completed on the same day.

During the six months period ended 30 June 2022, Duvalco Valves and Fitting Pte Ltd paid S\$137,500 as rental to Xu Jia Zu Holding Pte Ltd (the “XJZ”), for renting of a factory in Wuhu, China. Mr Richard Koh is deemed to have an interest in XJZ in view of his more than 20% holdings in the total issued shares of XJZ.

Save as disclosed above, there was no other interested party transaction of S\$100,000 and above entered into during FY2022.

17. Confirmation of directors and executive officers’ undertakings pursuant to the Rule 720(1) (in the format set out in Appendix 7H under Rule 720(1))

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

18. Disclosures on Acquisition and Realisation of Shares pursuant to Rule 706A (if any)

The acquisitions and disposal of subsidiaries during FY2022 is set out in the table below.

S/N	Entity - Disposed of	Country of Incorporation	Effective percentage of equity held by Group interest held	Held by	Paid-up capital	Date of announcement
1	Duvalco Valves & Fitting Pte Ltd	Singapore	100	Seven Atelier Limited	S\$ 3,000,000	14-Jun-22
2	Pan Asian Flow Technology Pte Ltd	Singapore	100	Seven Atelier Limited	S\$ 2,000,000	14-Jun-22
3	Pan Asian Water Solutions (HK) Limited	Hong Kong	100	Seven Atelier Limited	HK\$ 2	14-Jun-22
4	Wuhu Duvalco Valves & Fitting Co Ltd	China	100	Seven Atelier Limited	RMB 3,195,205	14-Jun-22
5	PA Water Solutions (Shanghai) Limited	China	100	Seven Atelier Limited	RMB 1,652,820	14-Jun-22
6	Sacha inchi Pte Ltd	Singapore	100	Seven Atelier Limited	S\$ 1	14-Jun-22
7	PA Flow Technology (HK) Limited	Hong Kong	100	Seven Atelier Limited	HK\$ 1	14-Jun-22
8	PT. Pan Asian Water Solutons	Indonesia	100	Seven Atelier Limited	IDR 914,500,000	14-Jun-22

S/N	Entity - Acquired	Country of Incorporation	Effective percentage of equity held by Group interest held	Held by	Paid-up capital	Date of announcement
1	Sevens Creation Pte Ltd	Singapore	100	Seven Atelier Limited	S\$ 50,000	14-Jun-22

19. Additional Information Required for Full Year Announcement

19A. Segmented revenue and results for business or geographical segments (of the Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the Company's most recently audited financial statements, with comparative information for the immediately preceding year.

Please refer to Note 4D.

19B. In the review of the performance, the factors leading to any material changes in the contributions to the turnover and earning by the business or geographical segments.

Please refer to Note 3.

19C. A breakdown of sales:

	<u>FY2022</u>	<u>FY2021</u>	Incr / (Decr) (%)
	<u>Group</u>	<u>Group</u>	
Sales reported 1 st half of year	-	-	N.M.
Operating profit/loss after tax before deducting non-controlling interests from continuing operations for 1 st half year	(293)	(350)	(16)
(Loss)/Profit from discontinued operations, net of tax	(48)	(1,099)	(96)
Sales reported 2 nd half of year	6,655	-	N.M.
Operating profit/(loss) after tax before deducting non-controlling interests from continuing operations for 2 nd half year	(1,409)	(564)	150
(Loss)/Profit from discontinued operations, net of tax	(2,705)	1,539	(276)
N.M. – not meaningful			

19D. A breakdown of the total annual dividend for the Company's latest full year and its previous full year.

No dividend was paid during the financial year ended 31 December 2022 and 31 December 2021

19E. Disclosure of person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10) in the format below. If there are no such persons, the Company must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Catalist Listing Manual, the Company hereby confirms that as at the date of this announcement, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Jeffrey Hong Eng Leong
 Executive Director and Chief Executive Officer

1 March 2023

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 document, including the correctness of any of the statements or opinions made or reports contained in this document.

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