



**V2Y CORPORATION LTD.**  
(Incorporated in Singapore)  
(Company Registration No. 201717972D)

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**CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS AND FULL YEAR ENDED**

**31 DECEMBER 2021**

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This announcement has been prepared by V2Y Corporation Ltd. (the “Company”) and its contents have been reviewed by the Company’s Sponsor, RHT Capital Pte. Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“the SGX-ST”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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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**Background**

The Company was incorporated in Singapore on 28 June 2017, in accordance with the Companies Act as a private limited company under the name of “Synagie Corporation Pte. Ltd.”. The Company was subsequently renamed to “Synagie Corporation Ltd.” on 27 June 2018 in connection with its conversion into a public company limited by shares. On 12 November 2020, the Company’s name was changed to V2Y Corporation Ltd.

V2Y Corporation Ltd. and its subsidiaries (collectively the “Group”) main business segment is the Insurtech business segment. This segment provides third party administration and value-added services to help our Brand Partners in the computer, communication and consumer electronics sector manage and execute their extended warranty and accidental damage protection programmes. Leveraging on our technology platform and ecosystem, the Group is looking to expand its Insurtech business by extending existing offerings and new products to our brand partners, channel partners and end consumers.

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**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 6 Months and Full Year Ended 31 December 2021**

		2H2021	2H2020	Group + / (-)	FY2021	FY2020	+ / (-)
	Note	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	<b>4</b>	431	969	(55.5)	1,089	1,769	(38.4)
Cost of sales		(241)	(636)	(62.1)	(685)	(1,315)	(47.9)
<b>Gross Profit</b>		190	333	(42.9)	404	454	(11.0)
Other income	<b>5</b>	194	246	(21.1)	327	435	(24.8)
Distribution and selling costs		(1)	(1)	-	(2)	(1)	100.0
Administrative expenses		(880)	(4,415)	(80.0)	(1,932)	(5,810)	(66.7)
Other operating expenses	<b>6</b>	(642)	(299)	N.M.	(645)	(299)	N.M.
Finance costs		(7)	(2)	N.M.	(10)	(5)	N.M.
<b>Loss before income tax from continuing operations</b>	<b>7</b>	(1,146)	(4,138)	(72.3)	(1,858)	(5,226)	(64.4)
Income tax credit	<b>8</b>	33	81	(59.3)	65	124	(47.6)
<b>Loss after income tax from continuing operations</b>		(1,113)	(4,057)	(72.6)	(1,793)	(5,102)	(64.9)
<b>Discontinued operations</b>							
<b>Profit from discontinued operations, net of tax</b>	<b>9</b>	-	56,582	N.M.	-	61,754	N.M.
<b>(Loss) / profit for the period</b>		(1,113)	52,525	N.M.	(1,793)	56,652	N.M.
<i>Item that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translation of foreign operations		*	(20)	N.M.	*	-	N.M.
<b>Total comprehensive (loss) / income for the period</b>		(1,113)	52,505	N.M.	(1,793)	56,652	N.M.
<b>(Loss) / profit net of tax attributable to:</b>							
Owners of the Company		(1,113)	52,522	N.M.	(1,793)	56,652	N.M.
Non-controlling interest		-	3	-	-	-	-
<b>(Loss) / profit for the period</b>		(1,113)	52,525	N.M.	(1,793)	56,652	N.M.
Total comprehensive (loss) / income for the period							
Owners of the Company		(1,113)	52,502	N.M.	(1,793)	56,652	N.M.
Non-controlling interests		-	3	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>		(1,113)	52,505	N.M.	(1,793)	56,652	N.M.

N.M. - Denotes not meaningful

\* Less than S\$1,000

**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 6 Months and Full Year Ended 31 December 2021 (cont'd)**

	2H2021	2H2020	Group + / (-)	FY2021	FY2020	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>(Loss)/ Profit attributable to :</b>						
<b>Owners of the Company</b>						
- Loss from Continuing Operations	(1,113)	(4,060)	(72.6)	(1,793)	(5,102)	(64.9)
- (Loss) / Profit from Discontinued Operations	-	56,562	N.M.	-	61,754	N.M.
	<u>(1,113)</u>	<u>52,502</u>	<u>N.M.</u>	<u>(1,793)</u>	<u>56,652</u>	<u>N.M.</u>
<b>Non-controlling interests</b>						
- Loss from Continuing Operations	-	-	-	-	-	-
- (Loss) / Profit from Discontinued Operations	-	3	-	-	-	-
	<u>-</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive (loss) income</b>						
- Owners of the Company	(1,113)	52,502	N.M.	(1,793)	56,652	N.M.
- Non-controlling interests	-	3	-	-	-	-
Total comprehensive (loss) income	<u>(1,113)</u>	<u>52,505</u>	<u>N.M.</u>	<u>(1,793)</u>	<u>56,652</u>	<u>N.M.</u>

## Condensed Interim Statements of Financial Position

		Group		Company	
	Note	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
		S\$'000	S\$000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,624	1,978	562	1,871
Trade and other receivables	11	331	590	800	314
Deferred service costs	12	84	51	-	-
Total current assets		2,039	2,619	1,362	2,185
<b>Non-current assets</b>					
Plant and equipment		25	37	24	35
Right-of-use assets		38	78	24	60
Goodwill		329	971	-	-
Intangible assets	13	515	903	-	-
Investment in subsidiaries		-	-	1,300	1,300
Total non-current assets		907	1,989	1,348	1,395
<b>Total assets</b>		<b>2,946</b>	<b>4,608</b>	<b>2,710</b>	<b>3,580</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Trade and other payables	14	1,116	1,281	239	579
Bank borrowings	15	96	-	-	-
Provisions	16	-	147	-	-
Deferred service revenue	17	199	96	-	-
Lease liabilities		26	39	24	37
Total current liabilities		1,437	1,563	263	616
<b>Non-current liabilities</b>					
Lease liabilities		13	39	-	24
Bank borrowings	15	348	-	-	-
Deferred tax liabilities		87	152	-	-
Total non-current liabilities		448	191	-	24
<b>Capital and reserves</b>					
Share capital	18	1,027	1,027	1,027	1,027
Other reserve	19	792	792	792	792
Translation reserve		*	-	-	-
(Accumulated losses) / Retained earnings		(758)	1,035	628	1,121
Total equity		1,061	2,854	2,447	2,940
<b>Total liabilities and equity</b>		<b>2,946</b>	<b>4,608</b>	<b>2,710</b>	<b>3,580</b>

\* Less than S\$1,000

## Condensed Interim Consolidated Statement of Cash Flows

	<b>Group</b>	
	<b>FY2021</b>	<b>FY2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Operating activities</b>		
Loss before income tax from continuing operations	(1,858)	(5,226)
Profit before income tax from discontinued operations	-	61,754
(Loss) / profit before income tax	<u>(1,858)</u>	<u>56,528</u>
<u>Adjustments for:</u>		
Amortisation of intangible assets	385	507
Reversal of impairment loss on financial assets, subject to ECL	-	(54)
Allowance for inventories obsolescence	-	318
Bad debts written off	-	122
Depreciation of right-of-use assets	40	174
Depreciation of plant and equipment	16	165
Interest expense	10	13
Inventories written off	-	496
Intangible assets written off	3	10
Impairment loss on intangible assets	-	36
Impairment loss on goodwill	642	-
Gain on lease modifications	-	(4)
Interest income	-	(3)
Gain on disposal of subsidiaries	-	(59,409)
Share-based payment expenses	-	112
Reversal of provisions	(147)	-
Operating cash flows before working capital changes	<u>(909)</u>	<u>(989)</u>
Trade and other receivables	362	1,088
Inventories	-	(2,132)
Trade and other payables	(198)	1,811
Net cash generated from operations	<u>(745)</u>	<u>(222)</u>
Tax paid	-	-
<b>Net cash used in operating activities</b>	<u>(745)</u>	<u>(222)</u>
<b>Investing activities</b>		
Purchase of plant and equipment	(4)	(254)
Expenditure on intangible assets	-	(368)
Net proceeds from disposal of subsidiaries	-	50,602
Interest received	-	3
<b>Net cash (used in) / generated from investing activities</b>	<u>(4)</u>	<u>49,983</u>

**Condensed Interim Consolidated Statement of Cash Flows (continued)**

	<b>Group</b>	
	<b>FY2021</b>	<b>FY2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Financing activities</b>		
Capital reduction	-	(20,781)
Dividend paid	-	(28,410)
Repayment of principal portion of lease liabilities	(42)	(173)
Restricted funds	-	150
Repayment of bank borrowings	(56)	-
Proceeds from bank borrowings	500	-
Interest paid	(7)	(13)
<b>Net cash generated from / (used in) financing activities</b>	<b>395</b>	<b>(49,227)</b>
Net (decrease) / increase in cash and cash equivalents	(354)	534
Cash and cash equivalents at beginning of the period	1,978	1,444
<b>Cash and cash equivalents at end of the year</b>	<b>1,624</b>	<b>1,978</b>

### Condensed Interim Statements of Changes in Equity

<u>Group</u>	Share capital	Capital contribution pending allotment	Merger reserve	Other reserve	Translation reserve	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan 2021	1,027	-	-	792	-	1,035	2,854	-	2,854
<i>Total comprehensive loss for the period</i>									
Loss for the financial year	-	-	-	-	-	(1,793)	(1,793)	-	(1,793)
Other comprehensive income	-	-	-	-	*	-	*	-	*
	-	-	-	-	-	(1,793)	(1,793)	-	(1,793)
<b>Balance as at 31 Dec 2021</b>	<b>1,027</b>	<b>-</b>	<b>-</b>	<b>792</b>	<b>*</b>	<b>(758)</b>	<b>1,061</b>	<b>-</b>	<b>1,061</b>

Note: \* Less than S\$1,000



**Condensed Interim Statements of Changes in Equity (continued)**

Group	Share capital	Capital contribution pending allotment	Merger reserve	Other reserve	Translation reserve	Accumulated losses	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan 2020	24,147	3,828	(8,261)	792	(34)	(15,910)	4,562	3	4,565
<b>Total comprehensive income for the period</b>									
<b>Continuing operations</b>									
Loss for the financial year representing total comprehensive income for the year	-	-	-	-	-	(5,102)	(5,102)	-	(5,102)
<b>Discontinued operations</b>									
Profit for the financial year representing total comprehensive income for the year	-	-	-	-	-	61,754	61,754	-	61,754
	-	-	-	-	-	56,652	56,652	-	56,652
<b>Transaction recognised directly in equity</b>									
Reclassification of capital contribution pursuant to rights issue exercise	3,972	(3,972)	-	-	-	-	-	-	-
Reclassification of capitalisation of listing expenses	(144)	144	-	-	-	-	-	-	-
Capital reduction	(27,102)	-	-	-	-	-	(27,102)	-	(27,102)
Dividends	-	-	-	-	-	(31,446)	(31,446)	-	(31,446)
Disposal of subsidiaries	-	-	-	-	34	-	34	(3)	31
Reclassification of merger reserve from e-commerce business segment	-	-	8,261	-	-	(8,261)	-	-	-
Issuance of performance shares awards	154	-	-	-	-	-	154	-	154
	(23,120)	(3,828)	8,261	-	34	(39,707)	(58,360)	(3)	(58,363)
<b>Balance as at 31 Dec 2020</b>	<b>1,027</b>	<b>-</b>	<b>-</b>	<b>792</b>	<b>-</b>	<b>1,035</b>	<b>2,854</b>	<b>-</b>	<b>2,854</b>

**Condensed Interim Statements of Changes in Equity (continued)**

<u>Company</u>	Share capital	Capital contribution pending allotment	Other reserve	Retained earnings / (Accumulated losses)	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 1 Jan 2021</b>	<b>1,027</b>	-	<b>792</b>	<b>1,121</b>	<b>2,940</b>
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(493)	(493)
<b>Balance as at 31 Dec 2021</b>	<b>1,027</b>	-	<b>792</b>	<b>628</b>	<b>2,447</b>
<b>Balance as at 1 Jan 2020</b>	24,147	3,828	792	(2,769)	25,998
Profit for the period, representing total comprehensive income for the financial year	-	-	-	35,336	35,336
<b>Transactions with owners, recognised directly in equity</b>					
Reclassification of capital contribution pursuant to rights issue exercise	3,972	(3,972)	-	-	-
Reclassification of capitalisation of listing expenses	(144)	144	-	-	-
Capital reduction	(27,102)	-	-	-	(27,102)
Dividends	-	-	-	(31,446)	(31,446)
Issuance of performance share awards	154	-	-	-	154
<b>Balance as at 31 Dec 2020</b>	<b>1,027</b>	-	<b>792</b>	<b>1,121</b>	<b>2,940</b>

## **Selected Notes to the Condensed Interim Financial Statements**

### **1. General**

V2Y Corporation Ltd. (the “Company”) (Registration No. 201717972D) is a limited liability company incorporated and domiciled in Singapore with its principal place of business and registered office at 38 Jalan Pemimpin, #05-03 M38, Singapore 577178. The Company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activity of the Company is that of holding company. The principal activities of the subsidiaries relates to those of the Insurtech business segment as disclosed on the cover page of this announcement.

The condensed interim financial statements as at and for the year ended 31 December 2021 comprise the Company and its subsidiaries (collectively the “Group”).

### **2. Basis of preparation**

The condensed interim financial statements for the year ended 31 December 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. Selected explanatory notes to the interim financial statements are included to provide information on events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last audited financial statements for the year ended 31 December 2020.

There were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited financial statements, which were prepared in accordance with SFRS (I)s.

The condensed interim financial statements have been prepared on a going concern basis. The condensed interim financial statements are presented in Singapore dollars, which is also the Company’s functional currency.

## **Selected Notes to the Condensed Interim Financial Statements (continued)**

### **3. Use of estimates and judgements**

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

The key 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 in the consolidated financial statements for the year ended 31 December 2020. The following are the critical judgements (apart from those involving estimates covered below) that management has made in the process of applying the Group's accounting policies and which have a significant impact on the amount recognised in the consolidated financial statements:

#### Going concern

As at 31 Dec 2021, the Group is in a net current assets and net assets position of S\$602,000 and S\$1,061,000 (31 Dec 2020: S\$1,056,000 and S\$2,854,000) respectively. The COVID-19 pandemic has severely disrupted global economic activity and led to both demand and supply side shocks to the global economy. These factors may cast significant doubt on the Group's ability to continue as a going concern.

Management had carried out a review of the cash flows forecast of the Group for the next 12 months period ending 31 Dec 2022. Based on the forecast, management estimated that adequate liquidity exists to finance the working capital requirements of the Group for the next financial year considering the cash and cash equivalents of the Group of S\$1,624,000 as at 31 Dec 2021. Accordingly, management is of the view that there is no material uncertainty that may cast a significant doubt on the Group's ability to continue as a going concern and that the use of going concern to prepare the Group's financial statements is appropriate.

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

#### Impairment review of goodwill and intangible assets

The Group reviews goodwill and intangible assets for impairment annually. As at 31 Dec 2021, the net carrying amounts of goodwill and intangible assets were S\$329,000 and S\$515,000 (31 Dec 2020: S\$971,000 and S\$903,000) respectively.

The management has estimated the future market conditions, including future contract revenue, discount rate, EBITDA and terminal growth rate in the key inputs used in the discounted cash flow forecasts to determine the recoverable amounts for goodwill and intangible assets, and the amount of any impairment required.

Based on the current market conditions, management is of the view that the slowdown in contracts renewal and new contracts sign up, an impairment loss of S\$642,000 was made on the carrying amount of the goodwill.

#### Allowance for impairment loss of trade receivables

The Group determines expected credit losses on trade receivables from third parties by making individual assessment of expected credit loss ("ECL") for long overdue balances and using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Notwithstanding the above, the Group evaluates the ECL on customers in financial difficulties separately. As at 31 Dec 2021, there is no additional allowance for doubtful debts required as a significant portion of accounts receivables outstanding had been fully collected.

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 4. Revenue

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Continuing operations</b>				
Insurtech:				
Sale of warranty support services recognised over time	431	969	1,089	1,769
<hr/>				
	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Discontinued operations</b>				
e-Commerce				
- Sale of products on online channels recognised at a point in time	-	7,857	-	40,975
- Marketing support fees recognised over time	-	2,035	-	5,522
e-Logistics				
- Warehouse and logistics support fees recognised over time	-	573	-	1,482
	-	10,465	-	47,979

### Seasonality of operations

The Group's operations are not affected significantly by seasonal or cyclical factors during the financial year

### 5. Other income

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Continuing operations</b>				
Government grants	98	70	207	223
Foreign exchange (losses) / gains	(5)	(33)	19	-
Others	101	28	101	31
Waiver of warranty service costs from insurer	-	174	-	174
Gain on lease modifications	-	4	-	4
Interest income	-	3	-	3
	194	246	327	435

**Selected Notes to the Condensed Interim Financial Statements (continued)**

**5. Other income (cont'd)**

	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Discontinued operations</b>				
Government grants	-	171	-	507
Others	-	6	-	16
Reversal of impairment loss on financial assets	-	54	-	54
	-	231	-	577

**6. Other operating expenses**

	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Continuing operations</b>				
Impairment loss on intangible assets	-	36	-	36
Impairment loss on goodwill	642	-	642	-
Inventories written off	-	18	-	18
Reversal of deferred service revenue	-	234	-	234
Foreign exchange losses, net	-	6	-	6
Others	-	5	3	5
	642	299	645	299

	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Discontinued operations</b>				
Withholding taxes	-	(25)	-	-
Foreign exchange losses, net	-	13	-	191
Others	-	(43)	-	28
Allowance for inventory obsolescence	-	318	-	318
Bad debts written off	-	122	-	122
Inventories written off	-	478	-	478
Intangible assets written off	-	10	-	10
	-	873	-	1,147

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 7. Loss before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the statement of profit or loss, the above includes the following charges / (credits):

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Continuing operations</b>				
Amortisation of intangible assets	193	228	385	420
Depreciation of plant and equipment	8	10	16	26
Depreciation of right-of-use assets	20	21	40	75
Directors' fees	86	86	172	172
Impairment loss on goodwill	642	-	642	-
Professional fees	85	273	258	489
Staff costs (including directors' remuneration)	653	3,616	1,118	4,493

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Discontinued operations</b>				
Amortisation of intangible assets	-	33	-	87
Depreciation of plant and equipment	-	57	-	139
Depreciation of right-of-use assets	-	40	-	99
Marketing expenses	-	352	-	750
Professional fees	-	263	-	450
Warehouse rental and handling expenses	-	788	-	2,711
Staff costs (including directors' fees)	-	2,427	-	5,169

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 8. Income tax credit

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

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Continuing operations</b>				
Corporate income tax	-	-	-	-
Deferred tax credit	33	81	65	124
Income tax credit recognised in profit or loss	33	81	65	124

### 9. Discontinued operations

Discontinued operations of the Group include its e-Commerce and e-Logistics segments. The disposal of the Group's e-Commerce and e-Logistics segments was completed on 5 November 2020. The results of the discontinued operations are as follow:

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
Revenue	-	10,465	-	47,979
Cost of sales	-	(7,349)	-	(32,058)
Gross profit	-	3,116	-	15,921
Other income	-	231	-	577
Distribution costs	-	(480)	-	(1,815)
Administrative expenses	-	(4,815)	-	(11,182)
Other operating expenses	-	(873)	-	(1,147)
Finance costs	-	(6)	-	(9)
Profit from discontinued operations	-	(2,827)	-	2,345
Gain on disposal of subsidiaries	-	59,409	-	59,409
Profit after income tax from discontinued operations	-	56,582	-	61,754

The effect of the discontinued operations are as follows:

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
Cash flows generated from operating activities	-	159	-	530
Cash flows used in investing activities	-	(263)	-	(615)
Cash flows generated from / (used in) financing activities	-	32	-	(72)
Net cash outflows	-	(72)	-	(157)



## Selected Notes to the Condensed Interim Financial Statements (continued)

### 10. Segment information

For purposes of resource allocation and assessment of segment performance, the Group's chief operating decision makers have focused on the business operating units which in turn are segregated based on the type of goods and services supplied.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristics, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, and if applicable, the nature of the regulatory environment.

The Group has two reportable operating segments:

- Insurtech – providing third party administration and value-added services to brand partners in the computer, communication, and consumer electronic sector, manage and execute their extended warranty and accidental damage protection programs.
- Investment holding – relates to investment holding company.

	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>2H2021</b>			
<b>Revenue</b>			
Segment revenue	431	-	431
<b>Results</b>			
Segment results	(299)	(392)	(691)
Other income			194
Other operating expenses			(642)
Finance costs			(7)
Loss before income tax from continuing operations			(1,146)
Income tax credit			33
Loss for the period from continuing operations			(1,113)
<b>Other material non-cash items</b>			
Amortisation of intangible assets	193	-	193
Depreciation of plant and equipment	1	7	8
Depreciation of right-of-use assets	2	18	20
Impairment loss on goodwill	642	-	642
<b>Capital expenditure</b>			
Plant and equipment	-	-	-
Right-of-use-assets	-	-	-
Intangible assets	-	-	-

**Selected Notes to the Condensed Interim Financial Statements (continued)**

**10. Segment information (continued)**

	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>FY2021</b>			
<b>Revenue</b>			
Segment revenue	1,089	-	1,089
<b>Results</b>			
Segment results	(655)	(875)	(1,530)
Other income			327
Other operating expenses			(645)
Finance costs			(10)
Loss before income tax from continuing operations			(1,858)
Income tax credit			65
Loss for the period from continuing operations			(1,793)
<b>Other material non-cash items</b>			
Amortisation of intangible assets	385	-	385
Depreciation of plant and equipment	3	13	16
Depreciation of right-of-use assets	4	36	40
Impairment loss on goodwill	642	-	642
<b>Capital expenditure</b>			
Plant and equipment	2	2	4
Right-of-use-assets	-	-	-
Intangible assets	-	-	-

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 10. Segment information (continued)

	e-Commerce S\$'000	e-Logistics S\$'000	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>2H2020</b>					
<b>Revenue</b>					
Segment revenue	-	-	969	-	969
<b>Results</b>					
Segment results	-	-	(386)	(3,697)	(4,083)
Other income					246
Other operating expenses					(299)
Finance costs					(2)
Loss before income tax from continuing operations					(4,138)
Income tax credit					81
Loss after tax from continuing operations					(4,057)
Profit for the period from discontinued operations, net of tax (Note 9)					56,582
Profit for the period					52,525
<b>Other material non-cash items</b>					
Amortisation of intangible assets	33	-	228	-	261
Depreciation of plant and equipment	57	-	1	9	67
Depreciation of right-of-use assets	40	-	2	19	61
<b>Capital expenditure</b>					
Plant and equipment	155	-	-	41	196
Intangible assets	184	-	9	-	193

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 10. Segment information (continued)

	e-Commerce S\$'000	e-Logistics S\$'000	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>FY2020</b>					
<b>Revenue</b>					
Segment revenue	-	-	1,769	-	1,769
<b>Results</b>					
Segment results	-	-	(907)	(4,450)	(5,357)
Other income					435
Other operating expenses					(299)
Finance costs					(5)
Loss before income tax from continuing operations					(5,226)
Income tax credit					124
Loss after tax from continuing operations					(5,102)
Profit for the period from discontinued operations, net of tax (Note 9)					61,754
Profit for the period					56,652
<b>Other material non-cash items</b>					
Amortisation of intangible assets	87	-	420	-	507
Depreciation of right-of-use assets	99	-	32	43	174
Depreciation of plant and equipment	139	-	2	24	165
<b>Capital expenditure</b>					
Plant and equipment	213	-	-	41	254
Intangible assets	359	-	9	-	368

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 10. Segment information (continued)

	e-Commerce S\$'000	e-Logistics S\$'000	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>31 Dec 2021</b>					
<b>Assets and liabilities</b>					
Segment assets	-	-	2,320	626	2,946
Segment liabilities	-	-	1,646	239	1,885
<b>31 Dec 2020</b>					
<b>Assets and liabilities</b>					
Segment assets	-	-	2,620	1,988	4,608
Segment liabilities	-	-	966	788	1,754

### Geographical information

The Group's revenue from external customers and information about its segment assets by geographical location are detailed below:

	Revenue				Non-current assets	
	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<b>Continuing operations</b>						
Singapore	431	969	1,089	1,769	907	1,989
<b>Discontinued operations</b>						
Singapore	-	6,141	-	39,156	-	-
Indonesia	-	336	-	336	-	-
Malaysia	-	1,322	-	4,003	-	-
Vietnam	-	562	-	1,181	-	-
Philippines	-	1,893	-	2,764	-	-
Thailand	-	211	-	539	-	-
	-	10,465	-	47,979	-	-

### Major customer information

The Group's revenue derived for FY2021 from 1 customer (FY2020: 1 customer) who individually accounted for 10% or more of the Group's revenue.

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 11. Trade and other receivables

	Group		Company	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<b>Trade receivables</b>				
- Third parties	17	513	-	-
Less: Loss allowance	-	-	-	-
	<u>17</u>	<u>513</u>	<u>-</u>	<u>-</u>
<b>Other receivables</b>				
- Third parties	243	9	3	8
- Subsidiaries	-	-	784	292
Deposits	38	40	8	9
GST receivables	21	-	-	-
Prepayments	12	7	5	2
Government grant receivables	-	21	-	3
Total trade and other receivables	<u>331</u>	<u>590</u>	<u>800</u>	<u>314</u>

### 12. Deferred service costs

Cost relating to warranty services is recognized over time although the Group pays up-front in full for these services. These costs are amortised on a straight-line basis over the period of warranty services.

### 13. Intangible assets

For the year ended 31 December 2021, the aggregate amortisation of intangible assets amounted to S\$385,000 (31 December 2020: S\$420,000). There is no addition to intangible assets for the year ended 31 December 2021 (31 December 2020: addition of S\$368,000).

### 14. Trade and other payables

	Group		Company	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<b>Trade payables</b>				
- Third parties	426	423	-	-
<b>Other payables</b>				
- Third parties	265	167	15	116
- Subsidiaries	-	-	-	-
Accruals	378	602	224	415
Goods and services tax payables	24	61	-	43
Unearned income	20	-	-	-
Deferred government grant	3	28	-	5
Total trade and other payables	<u>1,116</u>	<u>1,281</u>	<u>239</u>	<u>579</u>

### 15. Bank Borrowings

All bank borrowings are denominated in SGD and are secured by corporate guarantee issued by the Company to a subsidiary, and repayable on monthly basis and fully repay by 2026.

## **Selected Notes to the Condensed Interim Financial Statements (continued)**

### **16. Provisions**

Provision for warranty is made only for those contracts for which warranty for defects is provided for agreed period. The provision for warranty is based on estimates made from historical warranty data associated with similar completed contracts. The Group expects to incur the majority of the liability over next 12 months. As at the end of FY2021, coverage period had lapsed and there is no provision for warranty required.

### **17. Deferred service revenue**

Revenue relating to warranty services is recognised over time although the customer pays up-front in full for these services. A contract liability is recognised for revenue relating to the warranty services at the time of the initial sales transaction and is amortised over the service period. Deferred service revenue as at the end of each reporting period is expected to be utilised within 12 months.

### **18. Share capital**

	<b>Group and Company</b>	
	<b>Number of</b>	
	<b>shares</b>	<b>S\$'000</b>
Issued and paid-up share capital		
As at 1 Jan 2021 and 31 Dec 2021	305,895,908	1,027

There is no movement in the issued and paid-up share capital of the Company since 31 December 2020.

The Company had no treasury shares as at 31 December 2021 and 31 December 2020.

### **19. Other reserve**

This represents the excess of the Convertible Notes reserve and principal amount of the Convertible Notes upon conversion to share capital of the Company recognised in prior financial years.

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 20. Earnings per share

	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Total</b>				
<b>(Loss)/ Profit attributable to owners of the Company (S\$'000)</b>	(1,113)	52,522	(1,793)	56,652
Basic and diluted earnings per share (cents)	(0.36)	17.17	(0.59)	18.55
	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Continuing operations</b>				
<b>Loss attributable to owners of the Company (S\$'000)</b>	(1,113)	(4,060)	(1,793)	(5,102)
Basic and diluted earnings per share (cents)	(0.36)	(1.33)	(0.59)	(1.67)
	2H2021 S\$'000	2H2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Discontinued operations</b>				
<b>Profit attributable to owners of the Company (S\$'000)</b>	-	56,582	-	61,754
Basic and diluted earnings per share (cents)	-	18.50	-	20.22

Basic and diluted earnings per share for the respective financial periods are computed based on the weighted average number of shares in issue during the respective financial periods.

### 21. Net asset value

	Group		Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Net asset value (S\$'000)	1,061	2,854	2,447	2,940
Net asset value per share (cents)	0.35	0.93	0.80	0.96

The computation of net assets value per share, the total number of issued shares is 305,895,908 (31 Dec 2020: 305,895,908).

The Company has no treasury shares as at 31 Dec 2021 (31 Dec 2020: Nil).



## **Other Information Required by Appendix 7C of the Catalyst Rules**

### **Review**

The figures in the condensed interim financial statements have not been audited or reviewed by the Company's auditors.

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

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

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

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

Not applicable.

### **Review of Group Performance**

#### **Statement of Comprehensive Income**

##### ***Revenue***

The Group's revenue from its Insurtech business segment decreased by 55.5% or S\$0.6 million, from S\$1.0 million in 2H2020 to S\$0.4 million in 2H2021. The Group's revenue for the FY2021 had also decreased by 38.4% or S\$0.7 million, from S\$1.8 million in FY2020 to S\$1.1 million in FY2021. Due to the global chip shortage and rising costs expected in 2022, customers are more cautious in their spending. As a result, this led to a decrease in revenue due to the slower renewal and contract sign up by customers.

Cost of sales decreased by 62.1% or S\$0.4 million, from S\$0.6 million in 2H2020 to S\$0.2 million in 2H2021. The Group's cost of sales for the FY2021 had also decreased by 47.9% or S\$0.6 million, from S\$1.3 million in FY2020 to S\$0.7 million mainly due to the decrease in revenue.

##### ***Gross profit and gross profit margin***

The Group's gross profit decreased by 42.9% or S\$0.1 million, from S\$0.3 million in 2H2020 to S\$0.2 million in 2H2021. The Group's gross profit for the FY2021 decreased by 11.0% or S\$0.1 million, from S\$0.5 million in FY2020 to S\$0.4 million in FY2021. The decrease in gross profit is mainly due to the decrease in revenue generated.

The Group's gross profit margin improved for 2H2021 and FY2021 respectively, from 34.4% in 2H2020 to 44.1% in 2H2021 and from 25.7% in FY2020 to 37.1% in FY2021. The improvement was mainly due to decrease in headcount costs for operations support team and increase in the contribution of higher profit margin contracts.

##### ***Other income***

Other income decreased by 21.1% in 2H2021 and by 24.8% in FY2021 as compared to 2H2020 and FY2020 respectively. The decrease was mainly due to a one-off cost savings of S\$0.2 million in FY2020, where the Group had successfully negotiated with its supplier to reduce on the premium charged. The decrease was partly offset by a claim from government which the Group had successfully obtained during FY2021.

## **Review of Group Performance (continued)**

### **Statement of Comprehensive Income (continued)**

#### ***Distribution and selling costs***

There had been no significant differences in distribution and selling costs incurred during FY2021 and FY2020.

#### ***Administrative expenses***

Administrative expenses decreased by 80.0% or S\$3.5 million to S\$0.9 million in 2H2021 as compared to S\$4.4 million in 2H2020. Administrative expenses had also decreased by 66.7% or S\$3.9 million to S\$1.9 million in FY2021 as compared to S\$5.8 million in FY2020.

The decrease in administrative expenses was mainly due to the disposal of the e-Commerce and e-Logistics segments, which was completed on 5 November 2020. With the completion, the executive directors had resigned which led to the reduction in payroll costs in FY2021. The overall payroll costs had decreased by S\$3.4 million in FY2021, of which S\$2.8 million relates to a one-off performance bonus paid to the former executive directors in accordance with the respective service agreements.

#### ***Other operating expenses***

The Group's other operating expenses had decreased by S\$0.3 million mainly due to the impairment loss on goodwill of S\$0.6 million, partly offset against fair value adjustment for a deferred revenue contract of S\$0.2 million in FY2020.

#### ***Finance costs***

There had been no significant differences in finance costs incurred for 2H2021 and 2H2020, and FY2021 and FY2020.

#### ***Income tax credit***

Income tax credit arise from the unwinding of deferred tax liabilities associated with the acquisition of Insurtech Subsidiary.

#### ***Loss from continuing operations***

The loss for the 2H2021 decreased by S\$3.0 million, from a loss of S\$4.1 million in 2H2020 to S\$1.1 million in 2H2021. The decrease in loss for the period was mainly due to the decrease in administrative expenses of S\$3.5 million.

The loss for the FY2021 decreased by S\$3.3 million, from a loss of S\$5.1 million in FY2020 to S\$1.8 million in FY2021. The decrease in loss for FY2021 was mainly due to the decrease in administrative expenses of S\$3.9 million and other operating expenses of S\$0.3 million, partly offset by increase in other operating expenses and decrease in other income of S\$0.1 million.

#### ***Profit from discontinued operations***

The profit from discontinued operations of S\$61.8 million in FY2020 was mainly due to the profit generated from the e-Commerce and e-Logistics business segments, as well as the gain from the disposal of the e-Commerce and e-Logistics business segments which was completed on 5 November 2020.

## **Review of Group Performance (continued)**

### **Statement of Financial Position**

#### ***Current assets***

The Group's current assets decreased from S\$2.6 million as at 31 December 2020 to S\$2.0 million as at 31 December 2021, mainly attributed to decrease in cash and cash equivalents and trade and other receivables of S\$0.4 million and S\$0.3 million respectively.

#### ***Non-current assets***

The Group's non-current assets comprise plant and equipment, intangible assets, goodwill, and right-of-use assets. Non-current assets decreased from S\$2.0 million as at 31 December 2020 to S\$0.9 million as at 31 December 2021 mainly due to the impairment loss on goodwill, depreciation and amortisation of the plant and equipment and intangible assets.

#### ***Current liabilities***

The Group's current liabilities decreased from S\$1.6 million as at 31 December 2020 to S\$1.4 million as at 31 December 2021. This was mainly due to decrease in trade and other payables and provisions of S\$0.2 million and S\$0.1 million respectively. The decrease was partly offset by an increase in deferred revenue of S\$0.1 million and bank borrowings of S\$0.1 million.

Deferred revenue relates to service billings for the Insurtech business segment which is recognised over the service period.

#### ***Non-current liabilities***

The Group's non-current liabilities increased from S\$0.2 million as at 31 December 2020 to S\$0.4 million as at 31 December 2021. The increase was mainly due to the bank borrowings of S\$0.3 million.

#### ***Equity***

As at 31 December 2021, the Group's equity of S\$1.1 million includes mainly issued and full paid-up share capital of S\$1.0 million, other reserve of S\$0.8 million and accumulated losses of S\$0.7 million.

### **Statement of Cash Flows**

The Group used S\$0.7 million in its operating activities in FY2021 as compared to S\$0.2 million in FY2020, mainly due to negative operating cash flows before movement in working capital of S\$0.9 million, adjusted for net working capital inflows of S\$0.2million.

The net working capital inflows were due to decrease of trade and other receivables of S\$0.3 million and an increase in deferred revenue of S\$0.1 million, partly offset by an decrease in trade and other payables of S\$0.2 million.

Net cash used in investing activities mainly comprise of purchase of plant and equipment had decreased due to the disposal of the e-Commerce and e-Logistics segments that was completed on 5 November 2020.

Net cash inflow from financing activities of S\$0.4 million in FY2021 mainly due to proceeds from bank borrowings of S\$0.5 million, partly offset by the repayment in bank borrowings and principal portion of lease liabilities totaling S\$0.1 million.

## **Prospect statement**

The Group has not issued any prospect statement or forecast.

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

The Group had launched its direct business-to-consumer mobile screen protection coverage and is collaborating with schools and clubs to increase its outreach and awareness. The Group is also in discussion with its suppliers to extend the range of its product offerings in Singapore. With the high COVID-19 vaccination and booster rates in Singapore<sup>1</sup>, the Group's view on the long-term outlook of the industry and retail sector remains positive.

However, the overall inflation in Singapore for December 2021 had edged up to 4% on a year-on-year basis, reaching a nine year high<sup>2</sup>. The global chip shortage and rising inflation had impacted many industries, including those of the Group's main customers. The Group had experienced a decrease in revenue from its Insurtech business due to slowdown in contracts renewal and new contracts sign up by customers. The Group remains focused on its Insurtech business and will continue to explore opportunities to expand and improve its business performance.

## **Dividends**

- a) **Current Financial Period Reported on**  
**Any dividend declared for the current financial period reported on?**
- No.
- b) **Corresponding Period of the Immediately Preceding Financial Year**  
**Any dividend declared for the corresponding period of the immediately preceding financial year?**
- No.
- 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 payable**
- Not applicable.
- e) **Record date**
- Not applicable.

### **If no dividend has been declared/recommended, a statement to that effect**

No dividend had been recommended or declared for the FY2021 considering the Group's and Company's cash flow requirement for future business development.

<sup>1</sup> <https://www.straitstimes.com/singapore/health/singapore-in-strong-position-to-ease-restrictions-further-experts>

<sup>2</sup> <https://www.channelnewsasia.com/singapore/why-singapore-inflation-rising-prices-higher-what-can-be-done-2463081>

### **Interested person transactions (“IPT”)**

The Group has not obtained a general mandate from shareholders for IPT and there was no IPT entered into during FY2021.

### **A breakdown of sales**

	FY2021	Group FY2020	+ / (-)
From continuing operations	S\$'000	S\$'000	%
<b>First Half</b>			
Revenue reported	658	800	(17.8)
Loss after tax reported	(680)	(1,045)	(34.9)
<b>Second Half</b>			
Revenue reported	431	969	(55.5)
Loss after tax reported	(1,113)	(4,057)	(72.6)

## Other Disclosures

- a) **Confirmation that the issuer has procured undertakings from all its directors and executive officers (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 pursuant to Rule 720(1) of the SGX Listing Manual.

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

Pursuant to Rule 704(10), we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholders of the Company.

**BY ORDER OF THE BOARD**

V2Y Corporation Ltd.

**Lim Chuan Poh**

Non-Executive Director and Independent Chairman

**Ong Shen Chieh (Wang Shengjie)**

Executive Director and Chief Executive Officer

Date: 21 February 2022