VCPLUS LIMITED

(Company Registration No.: 201531549N)
(Incorporated in the Republic of Singapore)

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND HALF YEAR AND FINANCIAL YEAR ENDED 31 DECEMBER 2021

*This announcement has been prepared by VCPlus Limited (formerly known as Anchor Resources Limited) (the "Company") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

The board (the "Board") of directors (the "Directors") of VCPlus Limited (formerly known as Anchor Resources Limited) (the "Company") hereby announces the condensed interim consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months financial period ended 31 December 2021 and financial year ended 31 December 2021, together with the comparative figures for the six months financial period ended 31 December 2020 and financial year ended 31 December 2020. The Group's full year results for the six months and financial year ended 31 December 2021 are unaudited.

	Note	6 Months Ended			12 Months Ended		
		31.12.2021	31.12.2020 (Restated)	Incr / (Decr)	31.12.2021	31.12.2020 (Restated)	Incr / (Decr)
		RM'000	RM'000	%	RM'000	RM'000	%
Revenue	3	502	85	491	502	134	275
Other income	4	286	161	78	2,784	281	891
Raw materials and consumables used		-	-	N.M.	(10)	-	N.M.
Change in inventories		(185)	(57)	225	(185)	(100)	85
Contractor expenses		-	-	N.M.	(62)	-	N.M.
Royalty fees		(61)	(63)	(3)	(110)	(126)	(13)
Depreciation and amortisation expenses		(356)	(339)	5	(676)	(679)	(0)
Employee benefits expenses		(2,955)	(841)	251	(4,027)	(1,751)	130
Short term lease expenses		(85)	(15)	467	(126)	(31)	306
Other expenses		(4,687)	(1,020)	360	(5,754)	(2,969)	94
Loss allowance on third party trade receivables		-	(513)	N.M.	-	(513)	N.M.
Finance costs	5	(44)	(477)	(91)	(165)	(2,282)	(93)
Loss before income tax	6	(7,585)	(3,079)	146	(7,829)	(8,036)	(3)
Loss from discontinued operation, net of tax		-	(9,071)	N.M.	-	(10,146)	N.M.
Income tax expense		3	-	N.M.	3	-	N.M.
Loss for the financial period attributable to owners of the parent		(7,582)	(12,150)	(38)	(7,826)	(18,182)	(57)
Other comprehensive income:							
Item that may be reclassified subsequently to profit or loss:							
- Exchange differences on translating foreign operations		62	36	72	(2)	4	NM
Other comprehensive income for the financial period, net of tax		62	36	72	(2)	4	NM
Total comprehensive income for the financial period attributable to owners of the parent		(7,520)	(12,114)	(38)	(7,828)	(18,178)	(57)
Net loss attributable to owners of the parent							
Loss from continuing operations, net of tax		(7,582)	(3,079)		(7,826)	(8,036)	
Loss from discontinued operations, net of tax		-	(9,071)		-	(10,146)	
Net loss attributable to owners of the parent		(7,582)	(12,150)	(38)	(7,826)	(18,182)	(57)
Total comprehensive loss attributable to owners of the parent		(7,520)	(12,114)	(38)	(7,828)	(18,178)	(57)
Loss per share attributable to owners of the Company							
- RM sen (continuing operations)		(0.19)	(0.15)		(0.19)	(0.61)	
- RM sen (discontinued operations)		-	(0.85)		-	(0.77)	
- S$ cent (continuing operations)		(0.06)	(0.05)		(0.06)	(0.20)	
- S$ cent (discontinued operations)		-	(0.28)		-	(0.25)	

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		Group			Company	
	Note	31.12.2021 RM'000	31.12.2020 RM'000 (Restated)	01.01.2020 RM'000 (Restated)	31.12.2021 RM'000	31.12.2020 RM'000
Non-current assets						
Property, plant and equipment	7	1,570	3,232	15,982	33	-
Mine properties	8	116	1,269	14,963	-	-
Rights-to-Use Assets		695	-	-	375	-
Intangible Assets	10	1,281	-	-	-	-
Investments in subsidiaries	9	-	-	-	18,004	69,921
Goodwill	10	10,226	-	-	-	-
		13,888	4,501	30,945	18,412	69,921
Current assets						
Inventories		151	317	651	-	-
Trade and other receivables	11	1,638	3,407	6,472	106	-
Amount due from a subsidiary	11	-	-	-	-	1,860
Prepayments		1,461	93	152	203	11
Cash and cash equivalents		6,215	2,635	1,735	3,743	1,258
		9,465	6,452	9,010	4,052	3,129
Total Assets		**23,353**	**10,953**	**39,955**	**22,464**	**73,050**
Less:						
Current liabilities						
Trade and other payables	12	3,501	6,288	11,147	1,175	205
Amount due to a subsidiary	12	-	-	-	1,729	300
Lease liabilities		209	266	485	123	-
Borrowings	13	-	10,863	18,858	-	10,863
		3,710	17,417	30,490	3,027	11,368
Net current assets/(liabilities)		5,755	(10,965)	(21,480)	1,025	(8,239)
Less:						
Non-current liabilities						
Lease liabilities		367	488	1,021	273	-
Deferred Tax Liabilities		218	-	-	-	-
Borrowings		-	-	4,458	-	-
		585	488	5,479	273	-
Net assets/(liabilities)		**19,058**	**(6,952)**	**3,986**	**19,164**	**61,682**
Equity						
Share capital	14	298,595	265,102	257,987	298,595	265,102
Merger reserve		(118,294)	(118,294)	(102,649)	-	-
Currency translation reserve		23	25	22	-	-
Other Reserve		(878)	-	-	-	-
Accumulated losses		(161,611)	(153,785)	(151,374)	(279,431)	(203,420)
Equity attributable to owners of the parent		17,835	(6,952)	3,986	19,164	61,682
Non-Controlling Interest		1,223	-	-	-	-
		19,058	**(6,952)**	**3,986**	**19,164**	**61,682**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Share Capital	Foreign Currency Translation Reserve	Merger reserve	Other reserve	Accumulated Losses	Non-controllering Interest	Equity attributable to owners of the parent
	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000
					(Restated)		(Restated)
The Group							
Balance at 1 January 2021	265,102	25	(118,294)	-	(153,785)	-	(6,952)
Non-Controlling Interest upon Incorporation	-	-	-	(878)	-	1,223	345
Loss for the financial year	-	-	-	-	(7,826)	-	(7,826)
Other comprehensive income for the financial year							
Exchange differences on translating foreign operations	-	(2)	-	-	-	-	(2)
Total other comprehensive income for the financial year	-	(2)	-	-	-	-	(2)
Total comprehensive income for the financial year	-	(2)	-	-	(7,826)	-	(7,828)
Transaction with owners:							
Issuance of new ordinary shares: Pursuant to bonds settlement and new placement	33,493	-	-	-	-	-	33,493
Total transactions with owners	33,493	-	-	-	-	-	33,493
Balance at 31 December 2021	**298,595**	**23**	**(118,294)**	**(878)**	**(161,611)**	**1,223**	**19,058**
Balance at 1 January 2020	257,987	21	(102,649)	-	(151,248)	-	4,111
Loss for the financial year	-	-	-	-	(18,182)	-	(18,182)
Other comprehensive income for the financial year							
Exchange differences on translating foreign operations	-	4	-	-	-	-	4
Total other comprehensive income for the financial year	-	4	-	-	-	-	4
Total comprehensive income for the financial year	-	4	-	-	(18,182)	-	(18,178)
Transaction with owners:							
Issuance of new ordinary shares pursuant to bonds extension	7,115	-			-	-	7,115
Merger reserve transferred on disposal of subsidiaries	-	-	(15,645)		15,645	-	-
Total transactions with owners	7,115	-	(15,645)		15,645	-	7,115
Balance at 31 December 2020	265,102	25	(118,294)		(153,785)	-	(6,952)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	ShareCapital RM'000	Accumulated Losses RM'000	Equity attributable to owners of the parent RM'000
The Company			
Balance at 1 January 2021	265,102	(203,420)	61,682
Loss for the financial year	-	(76,011)	(76,011)
Total comprehensive income for the financial period	-	(76,011)	(76,011)
Transaction with owners:			
Issuance of new ordinary shares: Pursuant to bonds settlement and new placement	33,493	-	33,493
Balance at 31 December 2021	298,595	(279,431)	19,164
Balance at 1 January 2020	257,987	(148,000)	109,987
Loss for the financial year	-	(55,420)	(55,420)
Total comprehensive income for the financial period	-	(55,420)	(55,420)
Transaction with owners:			
Issuance of new ordinary shares Pursuant to bonds extension	7,115	-	7,115
Balance at 31 December 2020	265,102	(203,420)	61,682

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
ENDED 31 DECEMBER 2021

	31 December 2021 RM'000	31 December 2020 RM'000
		Restated
Operating activities		
Loss before income tax from continuing operation	(7,829)	(8,036)
Loss before income tax from discontinued operation	-	(10,146)
Loss before income tax	(7,829)	(18,182)
Adjustments for:		
Amortisation of mine properties	132	530
Depreciation of property, plant and equipment	676	2,245
Interest expenses	165	2,282
Interest income	-	(8)
Plant and equipment written off	409	19
Mining properties written off	1,021	-
Allowance for impairment loss on receivables, net	-	5,081
Loss/(Gain) on disposal of plant and equipment	211	(3)
Inventories written off	185	-
Loss on disposal of subsidiaries	-	4,325
Unrealised foreign exchange difference	(26)	388
Operating cash flows before working capital changes	(5,056)	(3,323)
Working capital changes:		
Inventories	(19)	195
Trade and other receivables	2,354	(2,904)
Prepayments	(109)	12
Trade and other payables	(2,248)	912
Cash used in operations	(5,078)	(5,108)
Income tax refunded	-	-
Net cash used in operating activities	**(5,078)**	**(5,108)**
Investing activities		
Proceeds from disposal of property, plant and equipment	46	3
Proceeds from disposal of subsidiaries	-	1,943
Acquisition of a subsidiary (Note 9)	1,548	-
Interest received	-	8
Purchase of property, plant and equipment	(75)	(361)
Net cash used in investing activities	**1,519**	**1,593**
Financing activities		
Interest paid	(165)	(91)
Repayment of guaranteed bonds	-	(5,812)
Proceeds from issuance of new ordinary shares	8,237	-
Repayment of finance lease obligations	(855)	(354)
Proceeds from unsecured loan	-	10,689
Net cash from financing activities	**7,217**	**4,432**
Net change in cash and cash equivalents	**3,658**	917
Exchange difference on cash and cash equivalents	**(78)**	(17)
Cash and cash equivalents at beginning of financial year	**2,635**	1,735
Cash and cash equivalents at end of financial year	**6,215**	**2,635**

1. General corporate information

VCPlus Limited (formerly known as Anchor Resources Limited) (the "Company") is a public limited company incorporated and domiciled in Singapore with its registered office at 138 Robinson Road #26-03 Oxley Tower Singapore 068906. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Company's registration number is 201531549N.

These condensed interim consolidated financial statements as at and for the six months and financial year ended 31 December 2021 comprise the Company and its subsidiaries (the "Group").

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

The principal activities of the Group comprise of (i) exploration, mining and production of dimension stone granites for sales as well as architectural stone and interior fit-out ("Dimension Stone Business") and (ii) the provision of advisory, consultancy and/or management services related to financial technology regulation and licensing as well as the adoption of financial technology strategies and technology ("FinTech Business").

2. Basis of preparation

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

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are expressed in Malaysia Ringgit, which is the functional currency of the Company and the presentation currency for the condensed interim financial statements and rounded to the nearest thousand ("RM'000"), unless otherwise stated.

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. Adoption of new standards applicable for the financial year do not have material effect on the amount reported for the current or prior period. The group has not yet early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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 applied to the consolidated financial statements as at and for the financial year ended 31 December 2020.

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. Revenue

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

Disaggregation of revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data; and
- enable users to understand the relationship with revenue segment information provided to the financial statements.

	6 Months ended		12 Months ended	
	31.12.2021 RM'000	**31.12.2020 RM'000 (Restated)**	**31.12.2021 RM'000**	**31.12.2020 RM'000 (Restated)**
Primary geographical markets				
- Singapore	478	-	478	-
- South East Asia	24	85	24	134
	502	85	502	134
Timing of transfer of goods and services				
- Over time	478	-	478	-
- Point in time	24	85	24	134
	502	85	502	134
Type of goods and services				
- Advisory, consultancy and management services	478	-	478	-
- Sale of goods	24	85	24	134
	502	85	502	134

4. Other income

	6 Months ended		12 Months ended	
	31.12.2021 RM'000	**31.12.2020 RM'000 (Restated)**	**31.12.2021 RM'000**	**31.12.2020 RM'000 (Restated)**
Settlement of Eco JV liabilities	-	-	2,392	-
Others	286	161	392	281
	286	161	2,784	281

The Company's wholly-owned subsidiary, GGTM Sdn. Bhd. ("GGTM") had on 22 July 2016 entered into a joint venture consortium agreement with Eco Interiors International Sdn. Bhd. to form an unincorporated joint venture consortium, GGT Manufacturing Eco JV ("Consortium") to carry out the interior fit out business. The Consortium had appointed Eco Group International Sdn Bhd ("EGI") as contractor in relation to the interior design, construction work and services for a particular hotel project. Consortium is involved in a contractor's progress claim dispute with EGI. A summary of the dispute is as follows:

On 28 November 2019, EGI had obtained a decision ("Adjudication Decision") pursuant to the Construction Industry Payment and Adjudication Act 2012 of Malaysia and the Asian International Arbitration Centre Adjudication Rules & Procedure (the "CIPAA Proceedings") against the Consortium for a sum of RM5,478,824.20.

The Consortium has disputed all claims by EGI for the project. In order to set aside the Adjudication Decision, the Consortium filed an application with the High Court of Malaya at Kuala Lumpur (the "High Court") on 17 December 2019. In addition, on 13 February 2020, GGTM and the Consortium issued a notice of arbitration on, *inter alia*, EGI to conclusively settle the dispute through arbitration at Asian International Arbitration Centre.

On 25 January 2021, the Kuala Lumpur High Court judge decided in favour of GGTM and the said Adjudication Decision was successfully set aside. The corresponding application to enforce the said Adjudication Decision filed by EGI was dismissed by the Kuala Lumpur High Court judge. No costs were awarded against both parties. As a result of those decisions, there are no pending suits against GGTM and no liabilities against GGTM.

In May 2021, GGTM entered into a settlement agreement with EGI, and paid RM1,000,000 as full and final settlement of all claims and disputes arising from the project. As a result, the Group recognised a net gain on settlement of approximately RM2,392,000 due to the reversal of provision made previously for the ECO JV liabilities net of receipts of project related receivables.

5. Finance costs

	6 Months ended		12 Months ended	
	31.12.2021 RM'000	31.12.2020 RM'000 (Restated)	31.12.2021 RM'000	31.12.2020 RM'000 (Restated)
Interest Expense				
- lease liabilities	-	16	31	34
- Bond interest	-	235	-	2,023
- Other interest expense	44	226	134	225
	44	477	165	2,282

6. Loss before income tax

6.1 Significant items

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following charges:

	6 Months ended		12 Months ended	
	31.12.2021 RM'000	31.12.2020 RM'000 (Restated)	31.12.2021 RM'000	31.12.2020 RM'000 (Restated)
Other expenses				
Audit fees paid/payable to:				
- auditors of the Company	292	147	292	147
- other auditors	11	16	11	16
Non-audit fees paid/payable to:				
- auditors of the Company	10	13	10	13
- other auditors	-	9	-	9
Mine properties written off	1,021	-	1,021	-
Plant and equipment written off	409	19	409	19
Inventories written off	185	-	185	-
Foreign exchange loss/(gain), net	9	(156)	23	58
(Write-back of)/loss allowance on third party trade receivables	(535)	513	(535)	513
Professional fees	1,589	300	2,169	1,742

7. Property, plant and equipment

During the full year ended 31 December 2021, the Group acquired property, plant and equipment with a cost of RM0.07 million (31 December 2020: RM 0.57 million) and disposed of assets amounting to RM0.26 million (31 December 2020: RM nil).

During the full year ended 31 December 2021, the Group entered into leasing arrangements relating to office space and recognised right-of-use assets amounting to RM 0.69 million (31 December 2020: RM0.21 million).

8. Mine properties

As at 31 December 2021, the Group mine properties have a carrying amount of RM0.12 million (31 December 2020: RM1.27 million) due to RM1.02 million (31 December 2020: Nil) being written off during the financial year ended 31 December 2021.

9. Investments in subsidiaries

	Company	
	31.12.2021	**31.12.2020**
	RM'000	**RM'000**
Unquoted equity investments, at cost	139,132	139,132
Acquisition of subsidiaries	13,138	-
Additional investment	1,999	-
Incorporation of a new subsidiary	2,743	-
Liquidation of subsidiary	(30)	-
Less: Accumulated impairment losses	(138,978)	(69,211)
	18,004	69,921
Accumulated impairment losses		
Balance at beginning of financial year	69,211	76,029
Impairment loss for financial year	69,767	31,880
Write off of impairment loss due to disposal of subsidiary	-	(38,698)
Balance at end of financial year	138,978	69,211

During the financial year ended 31 December 2021, the Company carried out a review of the investment in subsidiaries, having regards for indicators of impairment on investment in GGTM Sdn. Bhd. ("GGTM") due to: 1) the losses reported, 2) return of mining concession rights of the Bukit Chetai granite quarry site to Perbadanan Memajukan Iktisad Negeri Terengganu (Terengganu State Economic Development Corporation) ("PMINT") and 3) delay in starting the operation of the mining in Bukit Machang green field granite quarry due to COVID 19 pandemic.

On September 2021, the Company entered into a shareholder's agreement and incorporated Custody Plus Pte. Ltd. with the Company being the significant shareholder and having control over the subsidiary to carry on the business of provision of custodian services for digital assets.

An impairment loss of approximately RM69.8 million in the investment in GGTM was recognised in the Company's profit or loss for the financial year ended 31 December 2021.

In the previous financial year, due to the losses reported by the Group's subsidiaries, the review of the recoverable amount of these subsidiaries resulted in the following:

(a) Additional impairment loss of RM31.9 million in the investment in GGTM for the Dimension Stone Business;

(b) Full impairment loss of RM0.032 million in the investment in Angka Marketing Pte Ltd ("AMPL") as the subsidiary has been struck off; and

(c) Impairment loss of RM38.7 million in the investment in Angka Alamjaya Sdn Bhd ("AASB") was written off following the disposal of AASB and discontinuation of operations in the gold mining segment.

Acquisition of APEC Solutions Pte Ltd and its subsidiaries ("APEC Solutions Group")

On 15 October 2021, the Company completed the acquisition of 100% equity interest in APEC Solutions Pte Ltd. Upon the acquisition, APEC Solutions Pte Ltd and its subsidiaries became subsidiaries of the Group. The purchase consideration was satisfied by the issuance and allotment of an aggregate of 172,413,793 new ordinary shares of the Company.

The fair values of assets and liabilities from the acquisition had been determined based on estimated fair value as at the date of acquisition as follows:

	Estimated fair value recognised on date of acquisition RM'000
Property, plant and equipment	30
Trade and other receivables	584
Intangible assets	1,301
Right-of-use assets	32
Prepayment	3
Cash and cash equivalents	1,548
	3,498
Trade and other payables	166
Lease liabilities	32
Deferred revenue	143
Deferred tax liability	221
	562
Net identifiable assets at fair value	2,936
Total consideration transferred	13,138
Provisional goodwill (Note 10)	10,202

Effects on cash flows of the Group

	RM'000
Consideration for acquisition of 100% equity interest	13,138
- Non-cash consideration(1)	(13,138)
Consideration settled in cash	-
Add: Cash and cash equivalent of subsidiary acquired	1,548
Net cash inflow on acquisition	1,548

(1) For the purpose of fair value estimates above, the non-cash consideration for the acquisition consists of the issuance of 172,413,793 new ordinary shares of the Company of S$0.025 per share (equivalent to RM0.076 per share), representing the market share price as at the completion date on 15 October 2021.

10. Intangible assets

	Group			
	Goodwill RM'000	Intellectual property RM'000	Unfinished contracts RM'000	Total RM'000
2021				
Cost				
At 1 January 2021	-	-	-	-
Acquisition of subsidiaries (Note 9)	10,202	956	345	11,503
Currency translation	24	-	-	24
At 31 December 2021	10,226	956	345	11,527
Accumulated amortisation and impairment				
At 1 January 2021	-	-	-	-
Amortisation charged	-	14	6	20
At 31 December 2021	-	14	6	20
Carrying amount				
At 31 December 2021	10,226	942	339	11,507

Provisional goodwill and impairment

Upon the completion of acquisition of APEC Solutions Group, the Group appointed an independent valuer to perform a review of the purchase price allocation ("PPA") to determine the estimated fair value of assets and liabilities acquired.

Based on the draft PPA report, a provisional goodwill amounting to RM10,202,000 was recognised in relation the to acquisition. The provisional goodwill represents an excess on the cost of the acquisition over the estimated fair value of the net identifiable assets of APEC Solutions Group at date of acquisition. Goodwill arising from the acquisition will be adjusted accordingly on a retrospective basis when the valuation is finalised by the independent valuer.

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The use of this method requires the estimation of future cash flows and determination of a discount rate in order to calculate the present value of the cash flows.

The recoverable amounts of the CGU are determined from value in use calculations based on cash flow forecasts based on financial budgets approved by management for the next 4 years and projection to terminal year.

Key assumptions used in the cash flow projections are discount rate, revenue growth and terminal value.

Management estimates discount rate using pre-tax rate that reflect current market assessments of the time value of money and risk specific to the CGU. Revenue growth rates were projected based on historical growth, past experience and management's best estimation of future business outlook. The terminal growth rate is used to extrapolate cash flows to terminal year.

As at the end of the reporting period, no impairment loss was recognised as the recoverable amount of the CGU was determined to be higher than its carrying amount.

11. Trade and other receivables

	Group			Company	
	31.12.2021	31.12.2020	01.01.2020	31.12.2021	31.12.2020
	RM'000	RM'000	RM'000	RM'000	RM'000
		(Restated)	(Restated)		
Trade receivables - third parties	1,969	4,170	6,727	-	-
Less: Loss allowance	(658)	(1,154)	(1,301)	-	-
Sub-total	1,311	3,016	5,426	-	-
Other receivables					
- third parties	-	269	607	-	-
- subsidiaries	-	-	-	-	5,600
Less: Loss allowance					(3,740)
Advance payment to suppliers	-	-	11	-	-
Less: Loss allowance	(197)	-	-	-	-
GST recoverable, net	-	3	3	-	-
Deposits	130	119	425	106	-
	327	391	1,046	106	1,860
	1,638	3,407	6,472	106	1,860

Deposits mainly relate to refundable rental deposits for office premises and equipment and mining concession rights.

The lifetime expected loss allowance for the Group's trade receivables is as follows:

	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
2021					
Expected loss rate	0%	0%	0%	36%	
Gross carrying amount					
- Trade receivables	58	215	73	1,820	2,166
Loss allowance	-	-	-	(658)	(658)
2020					
Expected loss rate	0%	0%	0%	28%	
Gross carrying amount					
- Trade receivables	3	-	-	4,167	4,170
Loss allowance	-	-	-	(1,154)	(1,154)

Movement in the loss allowance for trade receivables is as follows:

	Group	
	31.12.2021	**31.12.2020**
	RM'000	**RM'000**
Balance at beginning of financial year	1,154	1,301
(Write back of)/Loss allowance	(496)	513
Disposal of subsidiaries	-	(660)
Balance at end of financial year	658	1,154

The Group applies the simplified approach to measure the expected credit losses for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers.

Other receivables from third parties are considered to be a low credit risk and subject to immaterial credit loss. Credit risk for these assets has not increased significantly since their initial recognition.

12. Trade and other payables

	Group			Company	
	31.12.2021	**31.12.2020**	**01.01.2020**	**31.12.2021**	**31.12.2020**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
		(Restated)	**(Restated)**		
Trade payables					
- third parties	154	3,037	3,121	-	-
Non-trade payables					
- third parties	1,520	1,932	4,328	46	20
- subsidiaries		-	-	1,729	300
Deferred Revenue	197	-	-	-	-
Accrued expenses	1,630	1,319	3,698	1,129	185
	3,501	6,288	11,147	2,904	505

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 days' (2020: 30 to 60 days') terms.

The non-trade amounts due to third parties and subsidiaries are unsecured, non-interest bearing and repayable on demand.

13. Borrowings

	Group			Company	
	31.12.2021	**31.12.2020**	**01.01.20**	**31.12.2021**	**31.12.2020**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
		(Restated)	**(Restated)**		
Unsecured					
Unsecured term loan	-	10,863	18,858	-	10,863

13.1 Unsecured term loan

The Company had on 16 October 2020 entered into a loan agreement with Lim Beng Chew, Tang Yao Zhi, Tan Soo Kia and Lee Teck (collectively, the "Lenders") for an unsecured term loan of S$3,500,000 which bears interest at 10% per annum and is repayable within 4 months from date of agreement 16 October 2020.

The Company entered into settlement agreements with the Lenders on 30 December 2020 to settle the unsecured term loan by way of issuance of new shares in the capital of the Company at an issue price of S$0.00149 per Share. The loan has been fully repaid by the Company after approval was granted by shareholders of the Company at the extraordinary general meeting on 9 February 2021.

14. Share capital

	Group and Company					
	31.12.2021	31.12.2020	01.01.2020	31.12.2021	31.12.2020	01.01.2020
	Number of ordinary shares			RM'000		
Issued and fully-paid:						
At beginning of financial year	1,663,993,116	1,244,282,813	1,046,048,355	265,102	257,987	248,600
Issuance of new shares	2,886,088,985	419,710,303	197,334,458	33,493	7,115	9,387
At end of financial period/year	4,550,082,101	1,663,993,116	1,244,282,813	298,595	265,102	257,987

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

During the full year ended 31 December 2021, 2,886,088,985 new ordinary shares amounting to approximately RM33.49 million were issued for the settlement of Group's borrowings and new placement shares.

15. Restatements and comparative figures

The prior financial year's comparative figures have been restated to adjust for the misstatement in the accounting of mining concession related expenses of the Group's subsidiary company.

As a result of the above, certain line items have been restated in the statement of financial position and statement of comprehensive income as set out below:

	As previously reported	Restatement	As restated
	RM'000	RM'000	RM'000
1 January 2020			
Statement of financial position			
Equity			
Accumulated losses	(150,192)	(1,182)	(151,374)
Current assets			
Trade and other receivables	7,400	(928)	6,472
Current liabilities			
Trade and other payables	(10,893)	(254)	(11,147)
31 December 2020			
Statement of financial position			

Equity			
Accumulated losses	(152,517)	(1,268)	(153,785)
Current assets			
Trade and other receivables	4,337	(930)	3,407
Current liabilities			
Trade and other payables	(5,949)	(339)	(6,288)
Statement of comprehensive income			
Other expenses	(2,757)	(212)	(2,969)

The adjustment to loss before tax was offset by corresponding adjustments for working capital changes for trade and other receivables and trade and other payables.

16. Loss per share

The calculations of basic loss per share for the relevant periods are based on loss attributable to owners of the Company for full year ended 31 December 2021 and 31 December 2020 divided by the weighted average number of ordinary shares in the relevant periods.

Diluted loss per share is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive as the effect of the shares conversion would be to decrease the loss per share.

	31 December 2021 Continuing operations Total RM'000	31 December 2020 Continuing operations Total RM'000	31 December 2020 Discontinued operations Total RM'000	31 December 2020 Total Total RM'000
Numerator				
Loss attributable to owners of the parent	(7,826)	(8,036)	(10,146)	(18,182)
Denominator				
Weighted average number of ordinary shares in issue during the financial year	4,078,501,821	1,324,213,477	1,324,213,477	1,324,213,477
Loss per share (RM sen)				
Basic/diluted loss per share	(0.19)	(0.61)	(0.77)	(1.37)
Loss per share (S$ sen)	(0.06)	(0.20)	(0.25)	(0.45)
Basic/diluted loss per share				

Notes:

(1) Translated at an exchange rate of S$1:RM3.2384 and S$1:RM3.0396 as at 31 December 2021 and 31 December 2020, respectively.

17. Related party transactions

For the financial period ended 31 December 2021, the Group had no significant related party transactions apart from that interested person transactions as disclosed in page 30.

18. Segment information

Business segments

For management purposes, the Group is organised into business units based on their products and services. The Group's reportable segments are as follows:

(i) Dimension Stone Business - exploration, mining, quarry extraction, processing and sales of granite products and dimension stone granites as well as architectural stone and interior fit-out.

(ii) FinTech Business - provision of advisory, consultancy and/or management services related to financial technology regulation and licensing as well as the adoption of financial technology strategies and technology; and

(iii) Corporate & others – investment holding.

Except as indicated above, no operating segments has been aggregated to form the above reportable segment. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate assets, liabilities and expenses.

Segment revenue and expenses include transfers between business segments that are eliminated on consolidation.

Geographical information

During the full year ended 31 December 2021 and 2020, the Group's Dimension Stone Business operated in Malaysia and mainly all non-current assets were located in Malaysia. In October 2021, the Company diversified into FinTech Business which operates in Singapore.

Discontinued operations

On 28 December 2020, the Company completed the settlement of bonds. The bonds were settled by way of transfer of the entire issued and paid up share capital of a wholly-owned subsidiary of the Company, AASB to the bond holders. AASB and its wholly-owned subsidiary, Angka Mining Sdn. Bhd., have therefore ceased to be subsidiaries of the Company as at that date. The operations were part of the Group's gold mining segment.

18. Segment information (Continued)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments:

P&L Items	6 months ended 31 December 2021 (Unaudited)					6 months ended 31 December 2020 (Unaudited, Restated)				
	Gold mining	Dimension Stone Business	FinTech Business	Corporate & others	Total	Gold mining	Dimension Stone Business	FinTech Business	Corporate & others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue - Continue	-	24	478	-	502	-	85	-	-	85
Revenue - Discontinue	-	-	-	-	-	-	-	-	-	-
Results	-	-	-	-	-	-	-	-	-	-
Operating income/(loss)	-	(2,381)	(200)	(4,958)	(7,539)	-	(1,328)	-	(1,277)	(2,605)
Interest income	-	(1)	-	-	(1)	-	4	-	-	4
Interest expenses	-	(3)	-	(42)	(45)	-	642	-	(1,120)	(478)
Profit/(Loss) before income tax	-	(2,385)	(200)	(5,000)	(7,585)	-	(682)	-	(2,397)	(3,079)
Income tax credit	-	-	-	3	3	-	-	-	-	-
Profit/(Loss) for the financial period	-	(2,385)	(200)	(4,997)	(7,582)	-	(682)	-	(2,397)	(3,079)
Loss from Discontinued operations	-	-	-	-	-	(9,071)	-	-	-	(9,071)
	-	(2,385)	(200)	(4,997)	(7,582)	(9,071)	(682)	-	(2,397)	(12,150)

P&L Items	12 months ended 31 December 2021 (Unaudited)					12 months ended 31 December 2020 (Restated)				
	Gold mining	Dimension Stone Business	FinTech Business	Corporate & others	Total	Gold mining	Dimension Stone Business	FinTech Business	Corporate & others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue - Continue	-	24	478	-	502	-	134	-	-	134
Revenue - DisContinue	-	-	-	-	-	5,561	-	-	-	5,561
Results										
Operating income/(loss)	-	(1,012)	(200)	(6,452)	(7,664)	-	(2,174)	-	(3,588)	(5,762)
Interest income	-	-	-	-	-	-	8	-	-	8
Interest expenses	-	(34)	-	(131)	(165)	-	(34)	-	(2,248)	(2,282)
Profit/(Loss) before income tax	-	(1,046)	(200)	(6,583)	(7,829)	-	(2,200)	-	(5,836)	(8,036)
Income tax credit	-	-	-	3	3	-	-	-	-	-
Profit/(Loss) for the financial period	-	(1,046)	(200)	(6,580)	(7,826)	-	(2,200)	-	(5,836)	(8,036)
Loss from Discontinued operations	-	-	-	-	-	(10,146)	-	-	-	(10,146)
	-	(1,046)	(200)	(6,580)	(7,826)	(10,146)	(2,200)	-	(5,836)	(18,182)

18. Segment information (Continued)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments:

	31 December 2021 (unaudited)				31 December 2020 (restated)			
	FinTech business	**Granite business**	**Corporate & others**	**Total**	**Gold mining**	**Granite business**	**Corporate & others**	**Total**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Segment assets	867	2,566	19,920	23,353	-	9,641	1,312	10,953
Segment liabilities	(616)	(2,135)	(1,544)	(4,295)	-	6,799	11,106	17,905
Other segment information								
Additions to non-current assets								
- Property, plant and equipment	-	-	-	-	554	-	15	569
Depreciation and amortisation expenses	(47)	(579)	(53)	(679)	(2,096)	(677)	(2)	(2,775)
Settlement of ECO JV liabilities	-	2,392	-	2,392	-	-	-	-
(Write-back of)/loss allowance for trade receivables	-	(535)	-	(535)	(4,568)	(513)	-	(5,081)
Loss on disposal of subsidiaries	-	-	-	-	(4,325)	-	-	(4,325)

18. Segment information (Continued)

The following table provides an analysis of the Group's revenue and assets by geographical segments:

	Revenue (unaudited)				Assets	
	6M2021	**6M2020**	**12M2021**	**12M2020**	**12M2021**	**12M2020**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
<u>Group</u>						
Singapore	478	-	478	-	20,787	-
South East Asia	24	85	24	134	2,566	10,954
	502	85	502	134	23,353	10,954

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The total assets are analysed by the geographical area in which the assets are located.

19. Subsequent Event

On 13 January 2022, the Company announced that Perbadanan Memajukan Iktisad Negeri Terengganu (Terengganu State Economic Development Corporation) ("PMINT") had agreed to, among others, to reduce quit rent payable to PMINT by reducing the mining concession area from 300.9019 hectares to 196.135 hectares. As the result, the Group had returned the mining concession rights of the Bukit Chetai granite quarry site to PMINT and the Group's mining right will be limited to the green field Bukit Machang granite quarry site only.

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

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

OTHER INFORMATION

1(a)(i) Details of any changes in the company's share capital arising from right 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.

	Number of shares	Share capital (S$'000)	Share capital (RM'000)
As at 30 June 2021	4,366,557,197	92,103	284,740
Issuance of new shares	183,524,904	4,610	13,855
As at 31 December 2021	4,550,082,101	96,713	298,595

Notes:

1. The Company had on 15 October 2021 issued 172,413,793 new ordinary shares at an issue price of S$0.029 per Share in the Company pursuant to Company's announcements dated 27 September 2021 and dated 11 October 2021 in respect of the share sale and purchase agreement ("SPA") with Cedric Yap Kun Hao (the "Vendor") for the proposed acquisition of the entire issued and paid-up share capital (the "Sale Shares") of APEC Solutions Pte. Ltd dated 27 September 2021.

2. The Company had on 8 December 2021 issued 11,111,111 new ordinary shares at an issue price of S$0.027 per Share in the Company pursuant to Company's announcements dated 9 September 2021 in respect of the agreement that the Company have entered into a custody white label license and services agreement ("License Agreement") with HydraX Pte. Ltd. ("Hydra X").

The Company does not have any outstanding options or convertibles as at 31 December 2021 and 31 December 2020.

The Company does not have any treasury shares and subsidiary holdings as at 31 December 2021 and 31 December 2020.

1(a)(ii) To show the 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.

	Company As at 31 December 2021(Unaudited)	Company As at 31 December 2020(Audited)
Total number of issued shares	4,550,082,101	1,663,993,116
Treasury shares	-	-
Total number of issued shares, excluding treasury shares	4,550,082,101	1,663,993,116

The Company does not have any treasury shares as at 31 December 2021 and 31 December 2020.

1(a)(iii) 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 does not have any treasury shares during and as at the end of the current financial period reported on.

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

Not applicable. The Company does not have any subsidiary holdings during and as at the end of the current financial period reported on.

2. 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.

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

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. 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 financial statements for the current financial period reported on as compared with those in the Group's most recently audited financial statements for the financial year ended 31 December 2020.

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

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 2021.

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

6. **Loss per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Refer to Note 16 on page 17.

7. **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 current period reported on; and immediate preceding financial year**

	Group		Company	
	31 December 2021 (Unaudited)	**31 December 2020 (Audited)** (Restated)	**31 December 2021 (Unaudited)**	**31 December 2020 (Audited)**
Net asset value [(1)] (RM'000)	19,058	(6,952)	19,164	61,682
Number of shares at the end of the period	4,550,082,101	1,663,993,116	4,550,082,101	1,663,993,116
Net asset value per share:				
- RM sen [(2)]	0.4188	(0.4178)	0.4212	3.7069
- S$ cent [(2)]	0.1293	(0.1375)	0.1300	1.2195

Notes:

(1) Net asset value represents total assets less total liabilities.
(2) Translated at an exchange rate of S$1:RM3.2384 and S$1:RM3.0396 as at 31 December 2021 and 31 December 2020, respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-**

(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;**

The following review of the Group's performance is in relation to FY2021 as compared

to FY2020.

Revenue

The Group recorded revenue of RM0.50 million in FY2021 as compared to revenue of RM0.13 million in FY2020. The higher revenue was mainly due to revenue contribution from APEC Solutions which was acquired in October 2021, partially offset by lower revenue contribution from the granite dimension stone business which was halted since November 2019.

Other income

Other income comprised of interest income on fixed deposit, government wages subsidy, insurance claim, management fee income from Angka Alamjaya Sdn Bhd (AASB) and the settlement agreement with EGI. The Group recorded other income of RM2.78 million for FY2021, representing an increase of RM2.50 million from RM0.28 million for FY2020. The increase was mainly due to (i) other income recognised of RM2.39 million relating to the final account settlement for PB Hotel project with EGI, which arose from over provision of cost for the entire project; (ii) management fee income from (AASB) of RM0.15 million.

Operating expenses

Operating expenses comprised raw materials and consumables used, change in inventories, contractor expenses, royalty fees, depreciation and amortisation expenses, employee benefits expenses, short term lease expenses, other expenses and finance costs.

Total operating expenses increased by RM2.67 million to RM11.12 million in FY2021 from RM8.45 million in FY2020. The increase in total operating expenses was mainly due to:

- The Group recorded changes in inventories in FY2021 and FY2020 amounted to RM0.18 million and RM0.10 million, respectively. The changes in inventories of RM0.18 million incurred in FY2021 was due the unsold inventories that were expensed off arising from the return of Bukit Chetai quarry as announced by the Company on 13 January 2022.

- Decrease in royalty fee expense by RM0.02 million from RM0.13 million FY2020 to RM0.11 million in FY2021. Notwithstanding that there were no operations for the granite dimension business in FY2021, the Company paid for the minimum sum agreed for the usage of the land.

- Increase in employee benefits expenses by RM2.28 million from RM1.75 million in FY2020 to RM4.03 million in FY2021 due to an increase of employee headcount arising from the Company's new business diversification to the Fintech sector and acquisition of APEC Solutions.

- Increase in short term lease expenses by RM0.1 million from RM0.03 million in FY2020 to RM0.13 million in FY2021 as the Company rented an office to setup headquarter in Singapore.

  Increase in other expenses by RM2.78 million from RM2.97 million in FY2020 to RM5.75 million in FY2021 mainly due to write-offs of fixed assets and mines properties arising from the return of Bukit Chetai quarry as announced by the Company on 13 January 2022 amounting to RM1.43 million, loss on disposal of fixed assets of RM0.21 million, the increase in professional fees RM0.43 million and general operating expenses of RM0.71 million arising from the operation in Singapore for the FinTech Business.

  Decrease in finance costs of RM2.11 million from RM2.28 million in FY2021 to RM0.17 million in FY2021 mainly due to the full redemption of bonds in FY2020.

The Group incurred net loss before tax of RM7.83 million and RM8.04 million in FY2021 and FY2020, respectively excluding loss from discontinued operations of RM10.15 million in FY2020.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The following review of the Group's financial position is in relation to 30 June 2021 as compared to 31 December 2020.

Assets

Property, plant and equipment decreased by RM1.66 million from RM3.23 million as at 31 December 2020 to RM1.57 million as at 31 December 2021 mainly due to the disposal of fixed asset and fixed assets write off arising from the return of Bukit Chetai quarry as announced by the Company on 13 January 2022, partially offset by purchases of fixed assets for the FinTech business.

Mine properties decreased by RM1.15 million from RM1.27 million as at 31 December 2020 to RM0.12 million as at 31 December 2021 due the write-off arising from the return of Bukit Chetai quarry as announced by the Company on 13 January 2022.
In FY2021, the Group recorded goodwill of RM10.23 million, ROU asset of RM0.69 million, and intangible asset of RM1.28 million, amounting in aggregate of RM12.2 million arising from the acquisition of APEC Solutions.

Inventories decreased by RM0.17 million from RM0.32 million as at 31 December 2020 to RM0.15 million as at 31 December 2021 mainly due to the write-off arising from the return of Bukit Chetai quarry as announced by the Company on 13 January 2022.

Trade and other receivables decreased by RM1.77 million from RM3.41 million as at 31 December 2020 to RM1.64 million as at 31 December 2021 mainly due to collections of trade receivables at subsidiary company level, partially offset by the increase arising from the consolidation of APEC Solutions in the Group pursuant to its acquisition by the Company.

Prepayments increased to RM1.46 million as at 31 December 2021 mainly due to the investment of RM1.26 million in the custody platform of which development is currently in progress. Upon completion of the platform development, the amount will be transferred from prepayments to [property, plant and equipment.

Cash and cash equivalents increased by RM3.58 million from RM2.64 million as at 31 December 2020 to RM6.22 million as at 31 December 2021 mainly due to completion of the placement exercise in FY2021.

Liabilities

Total liabilities of the Group decreased by RM13.61 million from RM17.91 million as at 31 December 2020 to RM4.30 million as at 31 December 2021. The decrease in total liabilities was mainly due to the following:

a. Decrease of loan and borrowing of RM10.86 million.

b. Decrease in lease liabilities of RM0.18 million due to repayment of lease liabilities and the disposal of AASB Group, and;

c. Decrease in trade and other payables of RM2.79 million mainly due to the decrease in contract customer payables amounting to RM2.73 million after completion of final account for PB Hotel project and repayment of trade and other payables.

Equity

As at 31 December 2021, total equity attributable to owners of parent amounted to RM17.84 million, comprising mainly of share capital of RM298.60 million, negative merger reserve of RM118.29 million and accumulated losses of RM161.61 million. It increased from negative RM6.95 million mainly due to the increase of share capital of RM33.49 million partially offset by the additional losses of RM7.83 million.

Merger reserve represents the difference between the consideration paid and the share capital of subsidiary acquired. For the purpose of consolidated financial statements, the aggregation of the Group's share in the paid-up capital of its subsidiaries has been entirely eliminated, and this resulted in a negative merger reserve of RM118.29 million.

Cash flows

Net cash used in operating activities

In FY2021, the Group recorded a net cash outflow for operating activities of RM6.93 million. The net operating cash outflow was mainly due to operating cashflows before working capital changes of RM6.23 million. Working capital outflow was mainly attributable to the increase in trade and other receivables to RM2.35million and decrease in in trade and other payable by RM2.32 million.

Net cash generated from investing activities

In FY2021, the Group recorded a net cash inflow for investing activities of approximately RM2.74 million from mainly due to acquisition of APEC Solutions and investment to setup subsidiary Custody Plus.

Net cash generated from in financing activities

In FY2021, the Group recorded a net cash inflow from financing activities of RM7.85 million as a result of proceeds from issuance of new ordinary shares which was partially offset by the repayment of lease liabilities.

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

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

10. 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.

Granite Business

The Group's Granite Dimension Stone Business has been halted since November 2019 due to the COVID-19 pandemic and since then, the Company had implemented various cost reduction measures to reduce the operating costs of the Granite Dimension Stone Business. In the Company's continued effort to reduce the operating costs of the Granite Dimension Stone Business, the Company announced on 22 January 2022 that Perbadanan Memajukan Iktisad Negeri Terengganu (Terengganu State Economic Development Corporation) ("PMINT") had agreed to, among others, to reduce quit rent payable to PMINT by reducing the mining concession area from 300.9019 hectares to 196.135 hectares. As the result, the Group had returned the mining concession rights of the Bukit Chetai granite quarry site to PMINT and the Group's mining right will be limited to the green field Bukit Machang granite quarry site only, which will require material capital investment to commence production. The Company shall evaluate any options available to monetise the Bukit Machang site.

FinTech Business

In April 2021, the Company obtained shareholders' approval for the diversification into the new business of custodian for digital assets and consultancy in the financial and blockchain technology sector. The Company has identified these new businesses to provide sustainable and long-term prospects of profitability and growth to the Group to enhance its business performance and shareholder value. This is timely and strategic as the COVID-19 pandemic has accelerated the development and adoption of digitisation.

According to the KPMG's Pulse of Fintech H2'21 report[(1)], investment in Singapore's fintech industry hit a five-year high of US$3.94 billion in 2021 as interest in cryptocurrencies and blockchain surged. Investments for cryptocurrencies and blockchain amounted to US$1.48billion, representing nearly half of total transaction value of US$3.94 billion, taking over payments as the top fintech area funded in Singapore. This is remarkable in view that investments in cryptocurrencies and blockchain amounted to US$109.75 million in 2020 only.

Since April 2021, the Company successfully secured a few blockchain advisory projects which are currently in progress as the Company works with clients to define their projects' requirements. To better position the Company to capitalise on the growth of the fintech industry in Singapore, the Company completed the acquisition of APEC Solutions in October 2021 to tap on the expertise, resources and network of APEC Solutions for quicker time to market. The Company intends to expand the current service offering of APEC Solutions to include FinTech licensing and compliance.

In relation to the Company's custody business for digital assets, its subsidiary, Custody Plus Pte. Ltd. had on 26 November 2021, submitted an application to the Monetary Authority of Singapore for capital markets services licence in respect of the regulated activity of providing custodial services, among others. The application may take one (1) to two (2) years after submission to obtain the outcome from the application.

While the Group develops its new businesses towards revenue generation, it will be vigilant in managing its expenses. In addition, the Group will continue to establish collaboration with strategic partners and explore business opportunity in the financial and blockchain technology sector.

Sources

(1) https://home.kpmg/sg/en/home/media/press-releases/2022/02/kpmg-pulse-of-fintech-h2-21.html

11. Dividend

If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

No dividend has been declared or recommended for FY2021.

(b) Amount per share (cents) and previous corresponding period (cents).

Not applicable. No dividend was declared or recommended for FY2020.

(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) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for FY2021 as the Group currently does not have profits available for the declaration of a dividend.

13. 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 Group does not have a general mandate from shareholders for interested person transactions.

Pursuant to the disposal of AASB in December 2020, the Company had entered into an agreement with AASB for a transition period of twelve (12) months to provide management services to AASB in respect of AASB's mining licenses, local government approvals and appointed contractors. In consideration thereof, AASB shall pay to the Company a monthly service fee equivalent to four and a half per cent (4.5%) of AASB's revenue each month. This service fee amounted to RM149,219 for FY2021.

At the time of disposal of AASB, Dr Foo Fatt Kah ("Dr Foo"), the then Non-Independent Non-Executive Director of the Company was also a director of the purchaser. Hence, the provision of management services was considered an interested party transaction requiring shareholders' approval, which approval was obtained at the extraordinary general meeting convened in December 2020. Dr Foo resigned as director of Company in January 2021.

The Group did not enter into any IPT above S$100,000 during FY2021.

14. Use of proceeds.

The Company had on 28 May 2021 issued 99,096,296 new ordinary shares in respect of the subscription of the Company's shares by the investors in accordance with the subscription agreements dated 5 May 2021. The Company has raised net proceeds of approximately S$2.61 million from the allotment and issuance of 99,096,296 Shares.

As at the date of this announcement, 1 March 2022, with the cut-off date as at 31 December 2021, the proceeds have been utilised as follows:

Purpose	Amount allocated S$'000	Amount utilised S$'000	Balance S$'000
Expenses for incorporation, set-up, working capital etc. of Custody Plus	900	644	256
Expenses for set-up, working capital etc. for the provision of advisory, consultancy and/or management services related to FinTech regulation, licencing, as well as the adoption of FinTech strategies and technology	850	486	364

Working capital including, inter alia, professional fees, staff salaries and general overheads	860	703	157
Total	**2,610**	**1,833**	**777**

The proceeds were utilised in accordance with its intended use.

15. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual.

16. Change in the composition of the Group

The Company had, during FY2021, struck of a wholly-owned subsidiary company, known as Angka Marketing Pte Ltd.

On 15 September 2021, the Company incorporated a subsidiary, Custody Plus Pte Ltd, with an issued and paid up capital of S$1,000,001. The Company holds 55 percent of shareholding in Custody Plus Pte Ltd. Please refer to the announcement dated 5 May 2021 for more information.

On 15 October 2021, the Company acquired 100% shareholding in APEC Solutions Pte Ltd. Please refer to the announcements dated 27 September 2021, 11 October 2021 and 15 October 2021 for more information.

Save as disclosed above, there were no other changes in the composition of the Group during the current financial period under review.

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to Note 8 on page 25.

18. A breakdown of sales

Purpose	FY2021 RM'000	FY2020 RM'000 (Restated)	Incr / (Decr)
Sales reported for first half year	-	49	NM
Operating profit/loss after tax before deducting non-controlling interests for first half year	(244)	(6,032)	(95.95)
Sales reported for second half year	502	85	491

Operating profit/loss after tax before deducting non-controlling interests for second half year	(7,582)	(12,150)	(38)

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

20. 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) 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.

21 Additional Disclosure Required for Mineral, Oil and Gas Companies

21a. Rule 705(6)(a) of the Catalist Listing Manual

i. Use of funds/cash for the quarter:-

For the quarter financial period from 1 October 2021 to 31 December 2021 ("**4Q2021**"), funds/cash was mainly used for the following production activities:-

Purpose	Amount (RM'000) Actual Usage	Amount (RM'000) Projected Usage	Amount (RM'000) Variance	Remarks
Payment for property, plant and equipment	10	10	-	-
Royalty	-	80	(80)	(1)
General working capital	2,210	1,830	380	(2)
Total	**2,220**	**1,920**		

(1) No payment of royalty fees as the Group was in discussion with Perbadanan Memajukan Iktisad Negeri Terengganu (PMINT) to re-negotiate the royalty fee arrangement, which resulted in the return of Bukit Chetai to PMINT announced in January 2022.

(2) Actual payment of general working capital was RM0.38 million higher than the projected amount mainly due to higher operating expenses arising from additional expenses incurred to setup a new office in Singapore and additional staff hired to support the Company's new business diversification.

ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter (financial period from 1 January 2022 to 31 March 2022 ("**1Q2022**"), the Group's use of funds/cash for development and production activities are expected to be as follows:-

Purpose	Amount(RM'000)	Remarks
Payment for property, plant and equipment	-	a
Royalty	-	a
General working capital	1,830	b
Total	1,830	

The above projected use of funds/cash relates to the Group for 1Q2022 as follows: -

a. No payment for property, plant and equipment and royalty expenditure projected after the return of Bukit Chetai and green field Bukit Machang is not expected to commence in operation; and

b. General working capital of RM1.83 million for general corporate and administrative expenses.

21b. Rule 705(6)(b) of the Catalist Rules

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the above information provided to be false or misleading in any material aspect.

22. Rule 705(7) of the Catalist Rules

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated;

Bukit Chetai Granite Mine

The COVID 19 pandemic continues to adversely affect the Group's granite dimension stone business in Malaysia as the mining operation has been halted since November 2019. The foreign workers of mining contractor were not able to return to Malaysia due to the Covid-19 travel restrictions. Therefore, the Bukit Chetai Mine did not produce block, tiles and joggle pavers in FY2021.

The Company announced on 13 January 2022 that PMINT had agreed to, among others, to reduce quit rent payable to PMINT by reducing the mining concession area from 300.9019 hectares to 196.135 hectares. As the result, the Group had returned the mining concession rights of the Bukit Chetai granite quarry site to PMINT and the Group's mining right will be limited to the green field Bukit Machang granite quarry site only, which will require material capital investment to commence production.

By Order of the Board
VCPLUS LIMITED

Lim Chiau Woei
Managing Director

Lim Beng Chew
Executive Director

1 March 2022