




VCPLUS LIMITED



RESHAPING THE FUTURE OF FINANCE

ANNUAL REPORT 2022



This annual report has been prepared by VCPlus 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 Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalyst.

The Sponsor has not drawn on any specific technical expertise in its review of this annual report.

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

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

VCPlus Limited (the “Company”), incorporated on 30 September 2010 was formerly known as Anchor Resources Limited. It was listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“SGX”) in March 2016.

Prior to 2021, the Group was in the gold and granite mining business in Malaysia.

In April 2021, the Company diversified its business into the provision of custodian services for digital assets and the provision of advisory, consultancy and/or management services relating to financial technology regulation and licencing as well as adoption of FinTech strategies and technology (“FinTech Business”), with an accompanying change of name to “VCPlus Limited” to reflect the new business as the engine of future growth for the Company.

In May 2022, the Company exited the Granite business. The Company’s business currently comprises the Fintech Business.

Today, we are a Singapore-based and Singapore-listed company focusing on the financial and blockchain technology and its applications. We embarked on this journey with a clear vision in sight.

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CORPORATE INFORMATION



BOARD OF DIRECTORS

MR. CHUA SER MIANG
Non-Executive Chairman and Lead Independent Director

MR. LIM BENG CHEW
Executive Director

MR. GAVIN MARK MCINTYRE
Independent Director

MS. LEE KIM LIAN, JULIANA
Independent Director

AUDIT COMMITTEE

Mr. Gavin Mark McIntyre
Chairman
Ms. Lee Kim Lian, Juliana
Mr. Chua Ser Miang

NOMINATING COMMITTEE

Ms. Lee Kim Lian, Juliana
Chairman
Mr. Chua Ser Miang
Mr. Gavin Mark McIntyre

REMUNERATION COMMITTEE

Mr. Chua Ser Miang
Chairman
Ms. Lee Kim Lian, Juliana
Mr. Gavin Mark McIntyre

REGISTERED OFFICE

138 Robinson Road
#26-03 Oxley Tower
Singapore 068906
Tel: + 65 6243 7067
Company Registration No.
201531549N

PRINCIPAL PLACE OF BUSINESS

223 Mountbatten Road
#03-10 Singapore 398008
Tel: +65 6992 5333

SHARE REGISTRAR

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896
Tel: +65 6593 4848

COMPANY SECRETARY

Yang Lin

INDEPENDENT AUDITOR

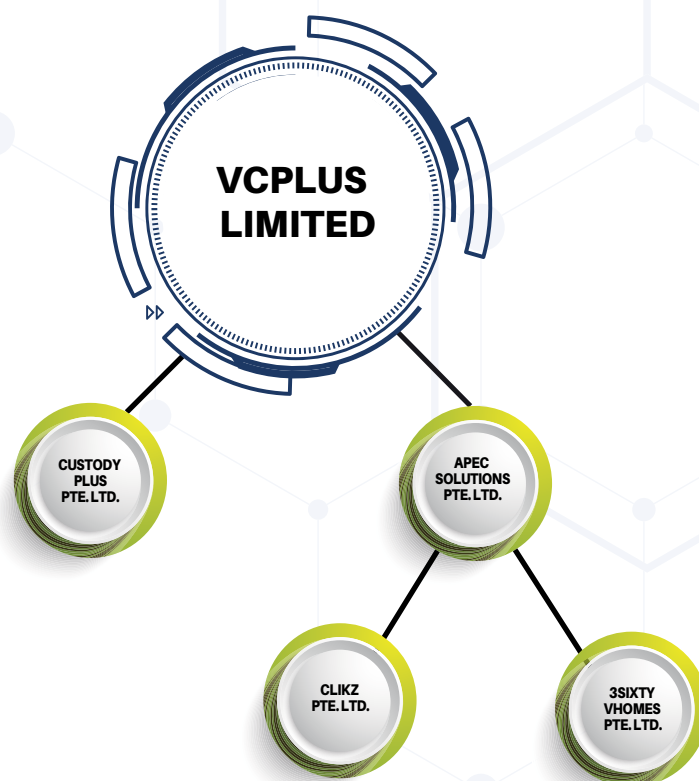
BDO LLP
Public Accountants and Chartered
Accountants
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778

Partner in Charge:
Mr. Adrian Lee Yu-Min
(Appointed since the financial year
ended 31 December 2020)

SPONSOR

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

GROUP STRUCTURE



Name of Company	Date and country of incorporation	Principal activities	Principal place of business	Effective equity interest held by our Group
APEC Solutions Pte. Ltd.	18-May-17 Singapore	Provision of IT consultancy, services and solutions and other investments	Singapore	100.00%
Clikz Pte. Ltd.	22-May-19 Singapore	Information technology and computer services	Singapore	100.00%
3Sixty Vhomes Pte. Ltd.	20-Jul-20 Singapore	Development of e-commerce applications	Singapore	100.00%
Custody Plus Pte. Ltd.	15-Sep-21 Singapore	Provision of custodian services for digital assets	Singapore	55.00%

CHAIRMAN'S STATEMENT

MR. CHUA SER MIANG
Non-Executive Chairman and Lead
Independent Director



DEAR SHAREHOLDERS

On behalf of the Board of Directors (the “Board”), we are pleased to present to you the Annual Report of VCPlus Limited (“Company” or “VCPlus” and together with its subsidiaries, the “Group”) for the financial year ended 31 December 2022 (“FY2022”).

FY2022 was yet another challenging year for the Group. Just as the world had started to recover from two years of pandemic restrictions, the war in Ukraine dealt another severe blow to the global economy amidst supply chain disruptions and escalating inflation. Multiple interest rate hikes further exacerbated the already weakened economic environment we operating in. In addition to deteriorating macroeconomics indicators, the technology and digital assets sectors suffered a turbulent year in 2022 after losing trillions of dollars of

market value. Various digital assets companies went into financial distress causing severe financial and confidence loss among their customers.

The impact of these headwinds on the Group was closely felt as we worked towards completing the business diversification journey we embarked on after obtaining shareholders’ approval in April 2021 to diversify into the Fintech Business. The Group’s Fintech Business comprises the provision of custodian services for digital assets and the provision of advisory, consultancy and/or management services relating to financial technology regulation and licencing as well as adoption of FinTech strategies and technology.

Notwithstanding these headwinds, we remain positive over the long-term prospects in the financial technology (“Fintech”) sector. The rapid pace of digitalisation and high usage of internet and mobile services in our daily activities have led to a tremendous growth in FinTech. The digital transformation agenda continues to be a major driver of business activities and expansion, investments and development of new products and/or services. ASEAN with its population of over 680 million will offer business opportunities to

companies who can remain agile and innovative.

Digital assets sector is expected to undergo fundamental changes to its business and operational model as a result of increasing regulatory supervision going forward. We believe that regulatory supervision which will result in transparent regulatory requirements will encourage sustainable development of digital assets towards greater market adoption built around security, trust and governance. The Company looks forward to working with all stakeholders in the digital assets sector to promote a responsible and sustainable digital assets sector.

In November 2022, the Company received a vote of confidence for its business when its subsidiary Custody Plus Pte. Ltd. successfully obtained the In-Principle Approval from the Monetary Authority of Singapore (“MAS”) to carry out the business of digital assets custodian. Subsequently on 28 March 2023, we received the full license from MAS.

In December 2022, the Company secured investment from a group of investors who injected additional working capital into the Group to grow its business.

A REVIEW OF FY2022

In May 2022, the Company exited the Granite Business and the financial performance of the Granite Business has been classified under discontinued operations. Since then, the Company’s business comprises the FinTech Business and the Group’s business and operating environment will be denominated in Singapore dollars (S\$). As a result of this change, the Company changed its functional currency from Malaysian Ringgit (MYR) to S\$. In line with the change in the functional currency, the presentation currency of the Group and the Company was also changed to S\$. The comparative financial information has been

restated to S\$ to conform to current year's presentation.

The financial analysis below relates solely to the FinTech Business.

The Group recorded revenue of S\$0.83 million in FY2022 as compared to revenue of S\$0.20 million in FY2021, an increase of 320%. This revenue growth was mainly due to recognition of full year revenue of APEC Solutions Pte. Ltd. in FY2022 as compared to FY2021 since the completion of acquisition of APEC Solutions Pte. Ltd. in October 2021 and revenue growth from more contracts completed in FY2022.

The Group incurred a net loss from continuing operation of S\$2.94 million in FY2022 as compared to S\$2.14 million in FY2021. The higher net loss was mainly due to one-off impairment of goodwill of S\$1.22 million. Excluding the impairment of goodwill, the Group's net loss from continuing operation amounted to S\$1.72 million.

In FY2022, the Company's financial position remained strong supported by net assets of S\$4.83 million, out of which S\$2.22 million was cash and cash equivalents and the Group had no debt as at 31 December 2022.

KEY DEVELOPMENTS

Granite Business

In May 2022, the Company completed the disposal of GGTM Sdn. Bhd. and exited the Granite Business. Since then, the Company is no longer a mining company and its core business comprises the FinTech Business. Subsequently in August 2022, our former Managing Director Mr Lim Chiau Woei who was in charge of the Granite Business resigned as a director of the Company.

FinTech Business

Since the acquisition of APEC Solutions, our APEC Solutions' team has been working tirelessly to expand its business. In May 2022, APEC Solutions is accorded pre-approved vendor status by Infocomm Media Development Authority which allows customers of APEC Solutions to obtain subsidy for the services. We believe this has enhanced the competitive position of APEC Solutions in the market.

In October 2022, the Company took the first step toward overseas expansion by signing a memorandum of understanding with two cooperative agencies in Indonesia and Indonesian business partner PT Alpha Millennia Indonesia to provide the cooperative agencies and their over 2,300 members with access to a suite of technology solutions for their operations. As any new market will entail new operational requirements and exposure to new risks, the Group will take a prudent approach to its overseas business.

The Group's digital assets business achieved a major milestone in FY2022. Following the submission of the application to the MAS for capital markets services licence in respect of the regulated activity of providing custodial services in November 2021, the Group's subsidiary Custody Plus Pte. Ltd. successfully secured the in-principle approval from the MAS in November 2022. Subsequently on 28 March 2023, we received the full license from MAS. Following this, the operating costs of Custody Plus are expected to increase arising from factors such as increase in headcount and deployment of custody platform.

Barring any unforeseen circumstances, the Company is expecting to commence the custody business in FY2023. However, we do not expect the custody business to be profitable in its first year of operations. In addition, we expect the digital assets

sector to face some headwinds in 2023 as the sector is subject to more stringent regulatory requirements and cautious customer adoption in view of various implosions in cryptocurrencies market.

LOOKING AHEAD

The economic and business outlook remains shrouded by a host of risks that could potentially derail growth in 2023. The Group expects the business environment in which it operates in to remain challenging in the financial year 2023 and hence, the management will remain vigilant in managing its expenses and continue to develop its new businesses to grow its revenue.

In addition, the Group will continue to establish collaboration with strategic partners and explore business opportunity in the financial and blockchain technology sector.

WORDS OF APPRECIATION

On behalf of the Board, I would like to express my deepest gratitude to our management and staff for their resilience and commitment they showed in the face of a very challenging and difficult business environment. In addition, I would like to thank our shareholders, customers, suppliers, bankers and business associates for their unwavering support.

Last but not least, I would like to extend my gratitude to our dedicated Board of Directors for their guidance and advice. Our appreciation and thanks also to Mr Lim Chiau Woei for his past contribution to the Board and the Group. As we embark on a challenging journey post COVID-19, we will strive to grow our businesses and capabilities and to deliver greater value to our shareholders.

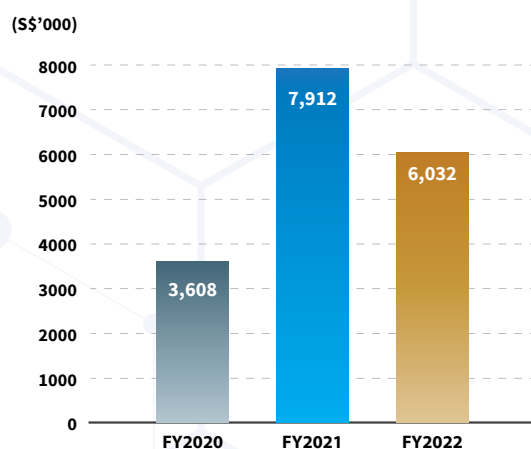
MR. CHUA SER MIANG

Non-Executive Chairman and Lead Independent Director

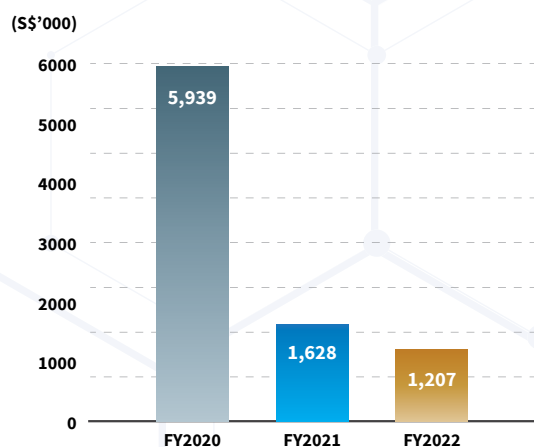
FINANCIAL HIGHLIGHTS

(Expressed in S\$'000)	FY2021 (Restated)	FY2022
Results		
Revenue	197	828
Loss from continuing operations	(2,140)	(2,942)
Loss per share attributable to owners of the Company (S\$ cents) - continuing operations	(0.0511)	(0.0603)
Financial Position		
Total Assets	7,912	6,032
Total Liabilities	1,628	1,207
Total Borrowings	–	–
Shareholders' Equity	5,892	4,626

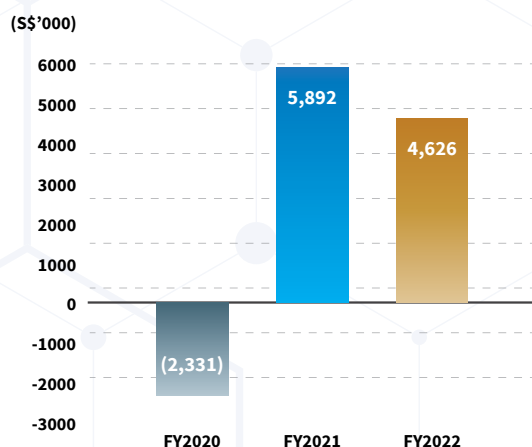
TOTAL ASSETS



TOTAL LIABILITIES



SHAREHOLDER'S EQUITY/(DEFICIT)



FINANCIAL AND OPERATION REVIEW

REVENUE AND OTHER INCOME

The Group recorded S\$0.83 million in FY2022 as compared to S\$0.20 million revenue in FY2021. The higher revenue from the Fintech Business was mainly due to recognition of full year revenue in FY2022 as compared to FY2021 since the completion of acquisition of APEC Solutions Pte. Ltd. in October 2021 and revenue growth from more contracts completed in FY2022.

Other income comprised of government wages subsidy, gains on disposal of subsidiary and rental income. The Group recorded other income of S\$0.36 million for FY2022, representing an increase of S\$0.30 million from S\$67,000 for FY2021. The increase was mainly due to government grant of S\$0.16 million and service income of S\$0.14 million.

PROFITABILITY

Total operating expenses increase by S\$1.72 million to S\$4.13 million in FY2022 from S\$2.41 million in FY2021. The increase in total operating expenses was mainly due to:

- Increase in raw materials and consumable used to S\$0.14 million in FY2022 in line with increase in revenue generated by the Fintech Business in FY2022.
- Increase in depreciation and amortisation expenses to S\$0.27 million in FY2022 as compared to S\$43,000 in FY2021 mainly due to increase in charges of amortisation of intangibles and depreciation of Right-of-use assets.
- Increase in employee benefits expenses by S\$0.38 million from S\$1.15 million in FY2021 to S\$1.53 million in FY2022 due to the increase in employee headcount arising from the Company's new business diversification into the Fintech sector and acquisition of APEC Solutions.
- Increase in other expenses by S\$1.00 million from S\$1.14 million in FY2021 to S\$2.14 million in FY2022 mainly due to impairment of goodwill of S\$1.22 million partially offset by lower professional fees incurred in FY2022 arising from lesser corporate actions as compared to FY2021.
- Decrease in finance costs from S\$46,000 in FY2021 to S\$17,000 in FY2022 mainly due to full repayment of unsecured term loan in FY2021 resulting in zero loan interest in FY2022.

The Group incurred net loss from continuing operation of S\$2.94 million and S\$2.14 million in FY2022 and FY2021, respectively. Excluding the non-recurring impairment of goodwill of S\$1.22 million, the Group's net loss from continuing operation amounted to S\$1.72 million.

FINANCIAL POSITION

In FY2022, the Group maintained a strong financial position. It registered net assets of S\$4.83 million as at 31 December 2022. Cash and cash equivalents increased to S\$2.22 million as at 31 December 2022 from S\$2.01 million as at 31 December 2021. In addition, the Group had no borrowings as at 31 December 2022.

As at 31 December 2022, total equity attributable to owners of parent amounted to S\$4.63 million, comprising mainly of share capital of S\$98.39 million, accumulated losses of S\$95.01 million and reserves of S\$1.25 million.

The Group's total assets was S\$6.03 million as at 31 December 2022 compared to S\$7.91 million as at 31 December 2021. The decrease was mainly due to the disposal of GGTM, impairment, amortization, partially, offset by the proceeds from the Company's placement exercise completed in December 2022.

The Group's total liabilities was S\$1.21 million as at 31 December 2022 compared to S\$1.63 million as at 31 December 2021. The decrease was mainly due to disposal of GGTM and repayment of trade and other payables and lease liabilities.

CASH FLOWS

In FY2022, the Group recorded a net cash outflow used in operating activities of S\$1.48 million. The net operating cash outflow was mainly due to operating cashflows before working capital changes of S\$1.41 million. Working capital outflow was mainly attributable to the increase in prepayments of S\$0.26 million, partially offset by the increase in trade and other payables by S\$0.16 million.

The Group recorded a net cash generated from investing activities of approximately S\$0.18 million in FY2022 due to sale consideration from the disposal of GGTM, partially offset by purchases of property, plant and equipment.

In FY2022, the Group recorded a net cash inflow from financing activities of S\$1.51 million mainly due to the proceeds from the placement exercise completed in December 2022 of S\$1.67 million, partially offset by lease liability repayment.

Due to the above factors, cash and cash equivalents increased to S\$2.22 million as at 31 December 2022 from S\$2.01 million as at 31 December 2021.

BOARD OF DIRECTORS



MR. CHUA SER MIANG
*Non-Executive Chairman and
Lead Independent Director*



MR. LIM BENG CHEW
Executive Director



MR. GAVIN MARK MCINTYRE
Independent Director



MS. LEE KIM LIAN, JULIANA
Independent Director

BOARD OF DIRECTORS

MR. CHUA SER MIANG

Non-Executive Chairman and Lead Independent Director

Mr. Chua Ser Miang is our Non-Executive Chairman and Lead Independent Director. He was appointed to the Board on 29 December 2020 and was re-elected as Director on 29 April 2022.

Mr. Chua is currently a Director in Crowe Horwath Capital Pte Ltd, a corporate finance advisory firm providing financial advisory for equity and debt fundraising and financial advisory for corporate actions.

He has over 20 years of experience in corporate finance where he was primarily involved in advising local and foreign corporates on financial and equity capital market transactions including public listings, fund raising, and mergers and acquisitions.

Mr. Chua had previously held senior positions in other financial institutions including DMG & Partners Securities and Daiwa Securities SMBC Singapore. Mr. Chua started his career as a Senior Review Officer with the Monetary Authority of Singapore in 1993.

Mr. Chua holds a Master's degree in Global Finance & Banking from King's College London, and graduated with a Bachelor's degree in Business Administration from the National University of Singapore. He is also a Chartered Financial Analyst from CFA Institute. Mr. Chua presently serves as an independent director on the Boards of Aoxin Q&M Dental Group Limited and LS 2 Holdings Limited.

MR. LIM BENG CHEW

Executive Director

Mr. Ben Lim Beng Chew is our Executive Director. He has been appointed to our Board on 22 February 2021 and was re-elected as Director on 29 April 2021. He is responsible for the overall management and strategic direction of the Company, overseeing marketing and sales acquisition, business growth and development, strategic brand management and the day-to-day operations.

Mr. Ben Lim has been the CEO of Ariki Pte Ltd since 1989. With its humble beginnings as a distributor in the F&B field, Ariki ventured into multiple industries over the years, gaining exclusive distribution rights for major electronic brands across Asia. Under the strategic leadership of Mr. Ben Lim, Ariki has diversified into a holding company that is now engaged in the duty-free products distribution, import and export of various products which operate across gateway cities in Asia and are currently building a retail presence in China. Mr. Ben Lim is also a partner of Sevens Group, where he plays an instrumental role. Sevens Group specialises in property development and investments in both local and regional markets.

Mr. Ben Lim was also a co-founder of ECXX Global Pte Ltd, a leading digital asset exchange that is in the MAS Fintech Sandbox in which he resigned as director in February 2021.

BOARD OF DIRECTORS

MR. GAVIN MARK MCINTYRE

Independent Director

Mr. Gavin Mark McIntyre is our Independent Director. He was appointed to the Board on 21 February 2017 and was re-elected as Director on 29 April 2021. He is a Singaporean with many years of experience in accounting related sectors.

Mr. McIntyre spent 7 years based in Thailand and Singapore when he was in Deloitte, where he was a project leader to lead restructuring efforts in the aftermath of the Asian Financial Crisis in 1997 and subsequently the Dot Com bust in the early 2000s.

From 2013 till 2015, Mr. McIntyre worked as a practice director with a boutique valuation services firm with a strong regional presence in Asia. Prior to that, he was holding the position of Chief Financial Officer of a listed company in Singapore for 5 years where he worked closely with the Board to review projects in the fields of mineral extraction, telecommunications and general manufacturing & distribution.

Apart from the Company, Mr McIntyre is also an Independent Director in both Nico Steel Holdings Ltd and Biolidics Limited.

Mr. McIntyre graduated from Curtin University, Australia in 1989 with a degree in Accounting and since 1994, holds the status of non-practicing CPA with CPA Australia.

MS. LEE KIM LIAN, JULIANA

Independent Director

Ms. Lee Kim Lian, Juliana was appointed as an Independent Director of the Company on 29 December 2020 and was re-elected as Director on 29 April 2022.

Ms. Juliana Lee is a Director of Aptus Law Corporation. She has more than 30 years of experience in legal practice and currently heads the corporate practice of Aptus Law Corporation. Her main areas of practice are corporate law, corporate finance, mergers and acquisitions and venture capital.

Ms. Juliana Lee holds a Bachelor of Laws (Honours) degree from the National University of Singapore and is a member of the Singapore Institute of Directors. Ms. Juliana Lee also presently serves as an independent director on the boards of other listed companies namely Nordic Group Limited, Dyna-Mac Holdings Ltd and Uni-Asia Group Limited.

KEY MANAGEMENT



MR. CHONG HENG LOONG
Chief Executive Officer



MR. CEDRIC YAP
APEC Solutions

MR. CHONG HENG LOONG *Chief Executive Officer*

Mr. Chong Heng Loong was appointed as the Chief Executive Officer of the Group on 1 April 2021. He reports directly to the Board of Director of the Company and holds management responsibilities in relation to the operations of the group. He is also responsible for setting the strategic direction of the group and steering the business of the group for future growth and expansion.

Mr. Chong has over 20 years of working experience in banking, investment and finance. Prior to joining the Company, he was the Chief Financial Officer of a company listed on the Singapore Stock Exchange. Before leaving banking sector, Mr. Chong was previously the Client Coverage Director at RHB Securities Singapore Pte. Ltd. managing the accounts of various corporates listed in Singapore. Prior to that, he was a Senior Investment Manager at Kuwait Finance House specialising in private equity and real estate investments in ASEAN region and Vice President of Corporate Finance at HL Bank Singapore where he was involved in various investment banking transactions for companies across Asia Pacific region.

Mr. Chong attained a Bachelor of Commerce & Bachelor of Economics from the Australian National University. He subsequently attained a Master of Commerce from the University of New South Wales. He is a Certified Public Accountant of Australia.

MR. CEDRIC YAP *APEC Solutions*

Mr. Cedric Yap Kun Hao is the Head of APEC Solutions. He founded APEC Solutions Pte Ltd and led the growth of the business. Under the leadership of Mr. Cedric Yap, APEC Solutions has grown to become a digital management consulting company providing a comprehensive range of services from information technology development to business consultancy across multiple industries.

Mr. Cedric Yap has extensive professional experience in the finance, real estate, information technology and transportation industries. He attained a Bachelor of Science in Hospitality Management from the University of Nevada, Las Vegas and a Diploma in Integrated Events Management from Republic Polytechnic, Singapore.

CORPORATE GOVERNANCE REPORT

DISCLOSURE TABLE FOR ANNUAL REPORT IN COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE 2018 AND THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED LISTING MANUAL SECTION B: RULES OF CATALIST

The Board of Directors (the “**Board**”) of VCPlus Limited, (the “**Company**” and together with its subsidiaries, the “**Group**”) is committed to maintaining high standards of corporate governance and places importance on maintaining sound internal controls and systems so as to ensure greater transparency, accountability and protect and enhance shareholders’ interests.

This report outlines the Company’s corporate governance practices for financial year ended 31 December 2022 (“**FY2022**”), with specific reference to principles of the Code of Corporate Governance 2018 (the “**Code**”) and the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), where applicable. The Board and Management are pleased to confirm that the Company has adhered to the Code and Catalist Rules in all material aspects. Where there are deviations from the Code and Catalist Rules, explanations as to how the Company’s practices were consistent with the intent of the principle in question are provided.

Principle/ Provision

Code Description

Company’s compliance or explanation

BOARD MATTERS

The Board’s Conduct of Affairs

Principle 1
Provision
1.4

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

As at the date of this Annual Report, the Board members are as follows:

Composition of the Board			
Name of Directors	Designation	Date of first appointment	Date of last re-election
Mr. Lim Beng Chew	Executive Director	22 February 2021	29 April 2021
Mr. Chua Ser Miang	Non-Executive Chairman and Lead Independent Director	29 December 2020	29 April 2022
Mr. Gavin Mark McIntyre	Independent Non-Executive Director	21 February 2017	29 April 2021
Ms. Lee Kim Lian, Juliana	Independent Non-Executive Director	29 December 2020	29 April 2022

Provision
1.1

All Directors are fiduciaries who exercise due diligence and independent judgement in dealing with the business affairs of the Group, hold Management accountable for performance and are obliged to act in good faith and to take objective decisions in the interest of the Group.

The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors who are interested in a transaction or proposed transaction is required to declare if he/she has a conflict of interest and will recuse from deliberation and decisions on the matter.

CORPORATE GOVERNANCE REPORT

Principle/ Provision

Code Description

Company's compliance or explanation

The Board is entrusted to lead and oversee the Company, with the fundamental principle to act in the best interests of the Company. In addition to its statutory duties, the Board's principal functions include:

- providing leadership, and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- ensuring that the necessary resources are in place for the company to meet its strategic objectives;
- establishing and maintaining a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and company performance;
- constructively challenging Management and reviewing its performance;
- instilling an ethical corporate culture and ensuring that the Company's values, standards, policies and practices are consistent with the culture; and
- ensuring transparency and accountability to key stakeholder groups.

Provision 1.2

All newly appointed Directors will undergo an orientation programme where the Director would be briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of director of a listed company. To obtain a better understanding of the Group's business, the Director will also be given the opportunity to visit the Group's operational offices and facilities and meet with key management personnel.

The Directors are updated, from time to time, when new laws or regulations affecting the Group are introduced. New releases issued by the SGX-ST which are applicable to the Directors are circulated to the Board. The Directors are encouraged to attend seminars, conferences and training courses, at the Company's expense, that will assist them in executing their obligations and responsibilities as directors of the Company. Examples of some training attended by our Directors are listed in the table below. In addition, the members of Audit Committee were briefed by the external auditors on changes or amendments to accounting standards.

CORPORATE GOVERNANCE REPORT

Principle/ Provision

Code Description

Company's compliance or explanation

Director	Training attended
Mr. Gavin Mark McIntyre	<ul style="list-style-type: none"> • LED - Environmental, Social and Governance Essentials (Core) • ACP 3 - Finance Function of The Future • ACP 2 - Valuation in Southeast Asia's Technology Industry • ACRA- SGX -SID Audit Committee Seminar 2022
Ms. Lee Kim Lian, Juliana	<ul style="list-style-type: none"> • CBFL-EWBCLB Seminar: What are Digital Assets as Things in Property Law?" • SPACs - Current Trends in the US and Singapore • The Board Series - Session 2: Creating long-term value with ESG strategy • The Practicalities of Enforcement of Crypto-assets • Recent Developments in FinTech Regulation & Facilitation • Steward Leadership: The 21st Century Model for Profitable Growth • LED - Environmental, Social and Governance Essentials (Core) • SID Directors Conference 2022
Mr. Lim Beng Chew	<ul style="list-style-type: none"> • LED - Environmental, Social and Governance Essentials (Core)
Mr. Chua Ser Miang	<ul style="list-style-type: none"> • Putting Sustainability into Practice for Business Course • CFA Society Singapore ESG Course for Directors & Senior Managers • Accountability & Professional Conduct • Cybersecurity Awareness for Financial Services • Ethics & Conflicts of Interests • Fit and Proper Requirements • AML Regulations • Financial Crime in Capital Markets Context

Formal letters of appointment will be furnished to the newly-appointed Directors, upon their appointments stating among other matters, the roles, obligations, duties and responsibilities as a member of the Board.

CORPORATE GOVERNANCE REPORT

Principle/ Provision

Code Description

Company's compliance or explanation

Provision
1.3

The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters that require the Board's approval include, amongst others, the following:

- significant acquisitions and disposals of assets;
- material borrowings and fund-raising exercises;
- share issuance and proposal of dividends;
- financial results announcements, annual report and audited financial statements; and
- material interested person transactions.

Provision
1.4

The Board has delegated certain responsibilities to the Audit Committee (the "**AC**"), the Remuneration Committee (the "**RC**") and the Nominating Committee (the "**NC**") (collectively, the "**Board Committees**") with clearly defined terms of reference. As at the date of this Annual Report, the compositions of the respective Board Committees are follows:

Composition of the Board Committees			
	AC	NC	RC
Chairman	Mr. Gavin Mark McIntyre	Ms. Lee Kim Lian, Juliana	Mr. Chua Ser Miang
Member	Ms. Lee Kim Lian, Juliana	Mr. Chua Ser Miang	Ms. Lee Kim Lian, Juliana
Member	Mr. Chua Ser Miang	Mr. Gavin Mark McIntyre	Mr. Gavin Mark McIntyre

Provision
1.5

The Board meets at least twice a year and ad-hoc Board meetings and meetings of the Board Committees are convened as and when necessary. The Company's Constitution (the "**Constitution**") allows for meetings to be held through telephone and/or video-conference.

During the financial year under review, the number of meetings held and attended by each Director and CEO is as follows:

	Board	AC	RC	NC
No. of meetings held	7	5	2	1
Directors and the CEO	Number of Meetings attended			
Mr. Lim Chiau Woei ⁽²⁾	4	2 ⁽¹⁾	1 ⁽¹⁾	1 ⁽¹⁾
Mr. Lim Beng Chew	7	5 ⁽¹⁾	2 ⁽¹⁾	1 ⁽¹⁾
Mr. Chua Ser Miang	7	5	2	1
Mr. Gavin Mark McIntyre	7	5	2	1
Ms. Lee Kim Lian, Juliana	7	5	2	1
Mr. Chong Heng Loong	7 ⁽¹⁾	5 ⁽¹⁾	2 ⁽¹⁾	1 ⁽¹⁾

Notes:

(1) Attendance by invitation.

(2) Mr. Lim Chiau Woei resigned as a Director and the Managing Director ("**MD**") of the Company on 31 August 2022.

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Provision
1.6

Management provides the Board with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities:

Types of Information Provided by Key Management Personnel to Directors		
	Information	Frequency
1.	Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	As and when, relevant
2.	Updates to the Group's operations and the markets in which the Group operates in	Quarterly
3.	Half-yearly and full year financial results	Half-yearly
4.	Reports on on-going or planned corporate actions	As and when, relevant
5.	Internal audit ("IA") report(s)	Yearly
6.	Research report(s)	As and when, requested
7.	Shareholding statistics	As and when, requested

Key management personnel will also provide any additional material or information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

Provision
1.7

Directors have separate and independent access to Management, the Company Secretary, and external advisers (where necessary) at the company's expense. The role of the Company Secretary is as follows:

- ensuring the Board procedures are observed and that the Constitution, relevant rules and regulations, including the Companies Act 1967 of Singapore (the "**Act**") and the Catalyst Rules, are complied with;
- assisting the Chairman and the Board to implement and strengthen corporate governance practices, with a view to enhancing long-term shareholder value;
- assisting the Chairman to ensure good information flows within the Board and its committees and key management personnel;
- assisting in designing and implementing a framework for key management personnel's compliance with the Catalyst Rules, including timely disclosure of material information;
- attending and preparing minutes for all Board meetings;
- coordination and liaison between the Board, the Board Committees and key management personnel; and

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- assisting the Chairman, the Chairman of each Board Committee and key management personnel in the development of the agendas for the various Board and Board Committee meetings.

The appointment and the removal of the Company Secretary are subject to the approval of the Board.

Where the Directors, whether individually or collectively, require independent professional advice in furtherance of their duties, the Company Secretary will assist in appointing a professional advisor to render the advice and keep the Board informed of such advice. The cost of obtaining such professional advice will be borne by the Company.

Board Composition and Guidance

Principle 2
Provision
2.1

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

An "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.

Provision
2.2; 2.3; 2.4

As at the date of this Annual Report, the Board comprises of four (4) Directors, of whom three (3) are Independent Directors, namely, Mr. Chua Ser Miang, Ms. Lee Kim Lian, Juliana and Mr. Gavin Mark McIntyre. Mr. Lim Beng Chew is an Executive Director. Non-Executive Directors make up majority of the Board.

As at the date of this Annual Report, Mr. Chua Ser Miang is the Non-Executive Chairman and Lead Independent Director. He is available to shareholders at chuasm@outlook.com, where they have concerns and for which contact through the normal channels of communication with the Management are inappropriate or inadequate.

The primary consideration in identifying director nominees is to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender.

The Company has adopted a Board Diversity Policy which recognises the importance of having an effective and diverse Board. Pursuant to the Board Diversity Policy, the NC reviews and assesses Board composition and recommends the appointment of new Directors with a view to ensuring that all Board appointments collectively reflect the diverse nature of the business environment in which the Group operates and be made on merit against objective criteria in the context of the skills, experience, independence and knowledge which the Board requires to be effective.

Under the Board Diversity Policy, the Board strives to have one member with relevant experience in the Group's businesses or markets; and one member with professional qualification in accounting or other professional background or discipline as may be determined by the Board to be necessary and/or beneficial to the Group. The Board also strives to have at least one female Board member, in cognizance that gender is an important aspect of diversity.

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Provision
2.4

The current Board composition reflects the Company's commitment to Board diversity in terms of different professional experiences, skills, knowledge and gender.

The current Board composition provides a diversity of skills, experience and knowledge, and gender to the Company as follows:

Balance and Diversity of the Board	Number of Directors	Proportion of Board
Core Competencies		
- Accounting or finance	3	75%
- Business management	4	100%
- Legal or corporate governance	2	50%
- Relevant industry knowledge or experience	1	25%
- Strategic planning experience	3	75%
- Customer based experience or knowledge	1	25%
Gender		
- Male	3	75%
- Female	1	25%

Accordingly, taking into consideration the nature and scope of the Group's operations, the NC and Board are of the view that the current size and composition of the Board and Board Committees are effective for decision making, while acknowledging that improvements to Board diversity practices are an on-going process and that skill-set and core competencies required of the Board may change over time as the business of the Group develops.

The Non-Executive Directors are kept informed of the Group's business and the industry the Group operates in. To ensure that the Non-Executive Directors are well supported by accurate, complete and timely information, they have unrestricted access to the Management, and have sufficient time and resources to discharge their oversight functions effectively.

During Board meetings, the Management also updates the Non-Executive Directors on the latest developments of the Group and its future plans. Forecast financials against budget are also presented to enable the Non-Executive Directors to assess the performance of the Group.

Whenever necessary, the Non-Executive Directors will meet among themselves without the presence of Management and the chairman of such meeting will provide feedback to the Board as appropriate.

The Non-Executive Directors had met and discussed in the absence of Management in FY2022.

Provision
2.5

CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
<u>Chairman and Chief Executive Officer</u>		
Principle 3 Provision 3.1, 3.2 and 3.3	There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.	<p>As at the date of this Annual Report, Mr. Chua Ser Miang is the Non-Executive Chairman of the Board and Mr. Chong Heng Loong is the Chief Executive Officer ("CEO").</p> <p>The roles of the Non-Executive Chairman and the CEO are separate to ensure a clear division of their responsibilities, increased accountability and greater capacity of the Board for independent decision-making. The Non-Executive Chairman is not related to the CEO.</p>
Provision 3.1; 3.3		<p>The Non-Executive Chairman oversees the business and ensures the effectiveness of the Board. He leads the Board discussions and ensures that Board meetings are convened when necessary. He sets the Board's meeting agenda in consultation with the CEO, and where necessary, other members of the Board as well as the Company Secretary and ensures the quality, quantity and timeliness of the flow of information between the Board and key management personnel to facilitate efficient decision-making.</p> <p>The CEO takes a leading role in managing the business of the Group and manages the day-to-day operations, together with the other Executive Director, with the assistance of the key management personnel. He is also responsible for setting the strategic direction of the Group together with the Board and steering the business of the Group for future growth and expansion.</p> <p>In view of the above, the Board is of the view that power is not unduly concentrated in the hands of any one individual nor is there any compromised accountability and independent decision-making as all major decisions and policy changes are conducted through the respective Board Committees, all of which are chaired by the Independent Directors.</p> <p>As mentioned in Principle 2, Mr. Chua Ser Miang is the Lead Independent Director and Non-Executive Chairman, who is available to shareholders at chuasm@outlook.com, where they have concerns and for which contact through the normal channels of communication with the Management are inappropriate or inadequate.</p>
<u>Board Membership</u>		
Principle 4 Provision 4.2	The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.	Please refer to the table in Principle 1 on the names of the members and the composition of the NC. The NC comprises three (3) Directors, all of whom are independent, and also includes the Lead Independent Director.
Provision 4.4		The NC is responsible for examining the size and composition of the Board and Board Committees. The composition of the Board and Board Committees is reviewed on an annual basis by the NC and the Board. Having considered the scope and nature of the Group's businesses and the requirements of the business, the Board, in concurrence with the NC, believes that its current board size and the existing composition of the Board Committees effectively serves the Group. It provides sufficient diversity without interfering with efficient decision-making.

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Provision 4.1		<p>The terms of reference of the NC include, inter alia, the following:</p> <ul style="list-style-type: none"> to review the succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; to review the training and professional development programmes for the Board and its directors; to review and approve the appointment and re-appointment of directors (including alternate directors, if any); to review and approve any new employment of related persons and proposed terms of their employment; to re-nominate directors for re-election in accordance with the Company's Constitution at each annual general meeting having regard to the Director's contribution and performance; to determine on an annual basis whether a Director is independent; to decide whether or not a director is able to and has been adequately carrying out his duties as a Director; and to decide how the Board's performance may be evaluated and propose objective performance criteria, as approved by the Board, that allows comparison with its industry peers, and address how the Board has enhanced long-term shareholders' value.
Provision 4.5		<p>The Board has not capped the maximum number of listed company board representations each Director may hold.</p> <p>The NC is of the view that the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's competencies, commitment, contributions and performance, after taking into account his or her other listed company board directorships and other principal commitments. The NC also believes that it is for each Director to assess his or her own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively. The NC does not wish to omit from consideration outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board.</p> <p>The factors considered in assessing the capacity of Directors include the following:</p> <ul style="list-style-type: none"> expected and/or competing time commitments of Directors; geographical location of Directors; size and composition of the Board; and nature and scope of the Group's operations and size.

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Provision
4.3

The NC reviews the performance of the Directors as well as their contributions to the Board on an annual basis. After conducting reviews, the NC is satisfied that the Directors have been able to devote adequate time and attention to the affairs of the Company and they were able to fulfil their duties as directors of the Company in FY2022.

As at the date of the report, the Company does not have any alternate Director.

The process for the selection, appointment and re-appointment of Directors to the Board, including the criteria used to identify and evaluate potential new Directors and channels used in searching for appropriate candidates is disclosed in the following table:

Process for the Selection and Appointment of New Directors		
1.	Determination of selection criteria	The NC, in consultation with the Board, would identify the current needs of the Board in terms of skills/experience/knowledge/gender to complement and strengthen the Board and increase its diversity.
2.	Search for suitable candidates	The NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.
3.	Assessment of shortlisted candidates	The NC would meet and interview the shortlisted candidates to assess their suitability.
4.	Appointment of director	The NC would recommend the selected candidate to the Board for consideration and approval.

The Board is also advised by the Sponsor on appointment of suitable directors as required under Catalist Rule 226(2)(d).

The process for the re-election of incumbent Directors is disclosed in the following table:

Process for the Re-electing Incumbent Directors		
1.	Assessment of director	The NC, would assess the performance of the Director in accordance with the performance criteria set by the Board; and The NC would also consider the current needs of the Board.
2.	Re-appointment of director	Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval.

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Provision
4.4

The NC reviews the independence of each Independent Director annually. As part of the review process, the NC requires the Independent Directors to complete and execute declaration forms in relation to their independence. These declaration forms are drawn up based on the guidelines in the Code. The NC has reviewed the declaration form executed by each of the Independent Directors, and, pursuant to its review, the NC is of the view that Mr. Chua Ser Miang, Ms. Lee Kim Lian, Juliana and Mr. Gavin Mark McIntyre are independent in accordance with the Code.

Accordingly, the Board has identified each of the Independent Directors to be independent, after determining, taking into account the views of the NC, whether the Director is independent in character and judgement and whether there are any relationships or circumstances which are likely to affect, or could appear to affect, the Independent Director's judgement.

There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him/her not to be independent.

As at the date of this Annual Report, there is no Independent Director who has served beyond nine years since the date of his/her first appointment.

Pursuant to the Constitution, at each Annual General Meeting ("**AGM**"), at least one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation.

The Directors to retire in every year shall be those subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

The Directors who are standing for re-election at the forthcoming AGM pursuant to Article 114 of the Constitution are Mr. Lim Beng Chew and Mr. Gavin Mark McIntyre. After assessing each of their contributions and performance, the Board and NC is recommending Mr. Lim Beng Chew and Mr. Gavin Mark McIntyre for re-election at the forthcoming AGM.

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Company's compliance or explanation

Board Performance

Principle 5
Provision
5.1

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

The NC has established a process for assessing the effectiveness of the Board as a whole, each Board Committee and for assessing the contributions of each individual Director to the effectiveness of the Board.

Provision
5.2

This assessment is conducted by the NC at least once a year by way of a Board evaluation where the Directors complete a questionnaire seeking their views on various aspects of Board performance, such as Board composition, information and process. Each member of the NC (and the Board, as the case may be) shall abstain from voting on any resolutions in respect of the assessment of his/her performance or re-nomination as a Director. The Board will act on the results of the performance evaluation, and in consultation with the NC, propose, where appropriate, that new members be appointed to the Board or seek the resignation of Directors.

To assess the effectiveness of the Board as a whole, the factors evaluated by the NC include but are not limited to:

- the size and composition of the Board;
- the discussion and decision-making processes of the Board (including the conduct of meetings by the Board);
- the Board's access to information;
- the accountability of the Board to the shareholders;
- the observation of risk management and internal control policies by the Board's access to information; and
- the performance of the Board (including the Board's performance in relation to the discharge of its principal responsibilities in term of the quantitative and qualitative performance criteria).

To assess the contribution of each individual Director, the factors evaluated by the NC include but are not limited to:

- his/her participation at the meetings of the Board;
- his/her ability to constructively challenge and contribute effectively to the discussion conducted by the Board;
- his/her ability to evaluate the Company's strength and weaknesses and make informed business decisions;
- his/her ability to interpret the Company's financial reports and contribute to the formulation of strategies, budgets and business plans that are compatible with the Group's vision and existing business strategy;
- his/her compliance with the policies and procedures of the Group;

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		<ul style="list-style-type: none"> his/her performance of specific tasks delegated to him/her; his/her disclosure of any related person transactions or conflicts of interest; and for independent Directors, his/her independence from the Group and the Management. <p>To assess the contribution of each Board Committee, the factors evaluated by the NC are adapted from and in line with the terms of reference of the various Board Committees.</p> <p>No external facilitator was used in the evaluation process.</p> <p>The Board and the NC have endeavoured to ensure that the Directors possess the experience, knowledge and expertise critical to the Group's business.</p> <p>The NC is of the view that the Board has met its performance objectives for FY2022.</p>

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6	The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.	Please refer to the table in Principle 1 for the names of the members and the composition of the RC. The RC comprises three Directors, all of whom are independent. The terms of reference of the RC include, <i>inter alia</i> , the following: <ul style="list-style-type: none"> to review and recommend to the Board a general framework of remuneration and specific remuneration packages for each Director and key management personnel; to review and approve the remuneration of the non-executive directors of our subsidiaries; to review and recommend to the Board the service contracts of Executive Directors and key management personnel and ensure that such services contracts are fair and not excessively long or with onerous renewal/termination clauses; and to review and recommend on the compensation arrangements for the loss or termination of office, or dismissal or removal of the Executive Directors and key management personnel.
Provision 6.1; 6.2; 6.3		
Provision 6.4		No remuneration consultants were engaged by the Company in FY2022.

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Principle/ Provision	Code Description	Company's compliance or explanation
<u>Level and Mix of Remuneration</u>		
Principle 7 Provision 7.1	The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.	The annual review of the compensation is carried out by the RC to ensure that the remuneration of the Executive Director and key management personnel are commensurate with their performance, contribution, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Director (together with other key management personnel) is reviewed periodically by the RC and the Board.
Provision 7.3		The remuneration of the Executive Director and the key management personnel consists of fixed salary and allowances. In addition, the Company has put in place the Anchor Resources Performance Share Plan (" Performance Share Plan " or " PSP ") to reward key management for meeting their key performance indicators to promote higher performance goals and recognise exceptional achievements by individuals who have contributed to the Group's growth. The Company does not have long-term incentive schemes.
Provision 7.2		<p>The approval for the allotment and issue of new shares on the vesting of awards under the Performance Share Plan was last obtained at the AGM of the Company on 29 April 2022.</p> <p>The Independent Non-Executive Directors are paid Directors' fees for their efforts and time spent, responsibilities and contributions to the Board, subject to the approval by shareholders at the AGM. In reviewing the recommendation for independent non-executive directors' fees for FY 2022, the Board and the RC took into account that the Group is loss-making and that the Group's new business of custodian for digital assets and consultancy in the financial and blockchain technology sector is still in nascent stage.</p> <p>From time to time where appropriate and at the renewal of the service agreements of directors and relevant key management personal, the RC will deliberate and make recommendations on the inclusion of contractual provisions to allow the Company to reclaim performance-based components of remuneration in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss.</p> <p>In addition, the Directors and CEO owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against any of them in the event of such breach of fiduciary duties.</p>

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Disclosure on Remuneration

Principle 8

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

Provision
8.1; 8.2

The Company's remuneration policy is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. The policy articulates to staff the link on total compensation has to achievement of organisational and individual performance objective, and benchmarked against relevant and comparative compensation in the market.

The breakdown for the remuneration of the Directors and the CEO in FY2022 is as follows:

Name	Salary (%) ⁽¹⁾	Director's Fees (%)	Total (%) ⁽²⁾
Below S\$250,000			
Mr. Lim Chiau Woei ⁽³⁾	91	9	100
Mr. Gavin Mark McIntyre	–	100	100
Mr. Chua Ser Miang	–	100	100
Ms. Lee Kim Lian, Juliana	–	100	100
Mr. Lim Beng Chew	100	–	100
Mr. Chong Heng Loong ⁽⁴⁾	100	–	100

Notes:

- (1) Salary comprises basic salary, payment for leave not taken, annual wage supplement and the Company's contribution towards the Singapore Central Provident Fund ("CPF").
- (2) The Group didn't pay any variable bonus, benefits in kind, stock options, share-based incentives and awards and other long term incentives in FY2022.
- (3) Mr. Lim Chiau Woei resigned as a Director and the MD of the Company on 31 August 2022.
- (4) In September 2022, the Company awarded 26,250,000 new ordinary shares to the Company's Chief Executive Officer Mr. Chong, to be vested in three equal tranches of 8,750,000 Shares per tranche on 30 December 2022, 30 December 2023 and 30 December 2024 respectively, subject to conditions being met. The first tranche of 8,750,000 ordinary shares worth S\$70,000 were vested on 30 December 2022 and subsequently on 3 January 2023, the first tranche was allotted to Mr. Chong. If these performance shares were included in Mr. Chong's remuneration, his remuneration band shall be S\$250,000 – S\$500,000.

There were no termination, retirement and post-employment benefits that was granted to Directors and key management personnel in FY2022.

After reviewing the industry practice and analysing the advantages and disadvantages in relation to the disclosure of remuneration amount of each Director and key management personnel, the Company is of the view that such disclosure would be prejudicial to its business interest given the highly competitive environment in the Group operates in.

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Company's compliance or explanation

During FY2022, the Company had one key management personnel (who is not a Director or the CEO). The breakdown for the remuneration of the Company's key management personnel (who are not Directors or the CEO) in FY2022 is as follows:

Name	Salary (%) ⁽¹⁾	Total (%)
Below S\$250,000		
Cedric Yap	100	100

Note:

- (1) Salary comprises basic salary, payment for leave not taken, annual wage supplement and the Company's contribution towards the CPF.

The total remuneration (excluding contingent share awards granted under PSP) paid to the key management personnels comprising Executive Director, CEO and Mr. Cedric Yap in FY2022 was approximately S\$477,060.

There was no employee of the Group who was an immediate family member of a Director or the CEO, or substantial shareholders in FY2022.

The Company currently has in place a Performance Share Plan as a compensation scheme to promote higher performance goals and recognise exceptional achievement by individuals who have contributed to the Group's growth.

The approval for the allotment and issue of new shares on the vesting of awards under the Performance Share Plan was last obtained at the AGM of the Company on 29 April 2022. The Performance Share Plan is administered by the RC and contemplates the award of fully paid shares, free of charge, when or other prescribed performance targets are achieved by the selected employees of the Group.

On 21 September 2022, the Company granted 26,250,000 new ordinary shares to the Company's CEO, which are to be vested in three equal tranches of 8,750,000 Shares per tranche on 30 December 2022, 30 December 2023 and 30 December 2024 respectively, subject to conditions being met. Subsequently on 3 January 2023, the first tranche of shares was allotted.

Further information on the Performance Share Plan is set out on pages 50 to 53 of this Annual Report.

The remuneration received by the Executive Director and key management personnel takes into consideration his or her individual performance and contribution toward the overall performance of the Group during the financial year under review. Their remuneration is made up of fixed compensations (and in the case of the CEO includes share-based compensation). The fixed compensation consists of an annual base salary and allowances. Any variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

Provision
8.3

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Company's compliance or explanation

The following performance conditions were chosen for the Group to remain competitive and to motivate the Executive Director and key management personnel to work in alignment with the goals of all stakeholders:

Performance Conditions	Short-term Incentives (Such as performance bonus)	Long-term Incentives
Executive Directors		
Qualitative	<ol style="list-style-type: none"> 1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices. 	<ol style="list-style-type: none"> 1. Commitment 2. Current market and industry practices
Quantitative	<ol style="list-style-type: none"> 1. Relative financial performance of the Group in terms of profit to its industry peers 2. Performance of the Group in terms of revenue targets 	<ol style="list-style-type: none"> 1. Relative financial performance of the Group in terms of profit to its industry peers 2. Performance of the Group in terms of meeting revenue targets
Management Personnel		
Qualitative	<ol style="list-style-type: none"> 1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices. 	<ol style="list-style-type: none"> 1. Commitment 2. Current market and industry practices
Quantitative	<ol style="list-style-type: none"> 1. Relative financial performance of the Group in terms of profit to its industry peers 2. Performance of the Group in terms of meeting revenue targets 	<ol style="list-style-type: none"> 1. Relative financial performance of the Group in terms of profit to its industry peers 2. Performance of the Group in terms of meeting revenue targets

The RC has reviewed and satisfied itself that performance conditions were met for FY2022.

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ACCOUNTABILITY AND AUDIT		
<u>Risk Management and Internal Controls</u>		
Principle 9 Provision 9.1	The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.	<p>The Board acknowledges that it is responsible for the governance of risks and the overall internal control framework but recognises that no cost effective internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objective and can provide only reasonable and not absolute assurance against material misstatements or loss.</p> <p>Risk assessment and evaluation has become an essential part of the business planning and monitoring process. Having identified the risks to the achievement of the Group's strategic objectives, each business unit is required to document the mitigating actions in place and/or proposed in respect of each significant risk. Risk awareness and ownership of risk treatments are also continuously fostered across the organisation.</p> <p>The Board reviews the risk management processes and framework, overseeing the formulation, update and maintenance of an adequate and effective risk management and internal control systems annually. The Company has engaged Tricor Axcelasia (SG) Pte Ltd ("IA" or "Tricor Axcelasia") as its internal auditors in 2022, to assist the AC to independently evaluate and improve the effectiveness of the system of internal controls using a risk-based approach.</p> <p>The role of the outsourced internal audit function is to provide independent and objective reports on the organisation's key internal controls to the AC. The outsourced internal auditor performed its work in accordance with the International Professional Practices Framework, an internationally recognised framework issued by the Institute of Internal Auditors Singapore. The outsourced internal auditor reports directly to the AC on a regular basis during the AC meeting.</p> <p>Internal audits include evaluation of controls relating to significant risks. Such audits also ensure that instituted controls are appropriate, effectively applied and achieve acceptable risk exposures consistent with the Company's risk management and internal control framework. The outsourced internal auditor would advise Management on areas for improvement and would subsequently carry out follow-up review on the status to which its recommendations have been implemented. The internal audit reports which contained the relevant audit finding and recommendations are submitted to the AC for deliberation. The AC meets with the outsourced internal auditor at least once a year to review the outsourced internal audit function and to assure itself on the soundness of internal control system.</p> <p>The IA prepares the internal audit plan taking into consideration the risks identified which is approved by the AC, on an annual basis.</p>

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Company's compliance or explanation

The Board, with the concurrence of the AC, is of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective in FY2022.

The bases for the views of the Board and AC are as follows:

- assurance had been received from the CEO and the FC that a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and b) the Group's risk management and internal control systems in place are adequate and effective in addressing the material risks of the Group in its current business environment including financial, operational, compliance and information technology risks;
- based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by the key management personnel and the Board;
- the risk management plan was deliberated in detail by the management, to include any new risk identified and to remove any risks that are no longer relevant, and the risk action plan in relation to each risk was also robustly discussed; and
- discussions held between the AC and external as well as internal auditors in the absence of the Management to review and address any potential concerns.

The Board and AC have additionally relied on the IA's report in respect of issues to the Company as assurances that the Company's risk management and internal control systems are effective and adequate.

Audit Committee

Principle 10 The Board has an AC which discharges its duties objectively.

Provision 10.2

Provision 10.3

Please refer to the table in Principle 1 on the names of the members and the composition of the AC. The AC comprises three (3) Directors, all of whom are independent.

The Board considers that Mr. Gavin Mark McIntyre, who has extensive and practical accounting and auditing knowledge and experience, is well qualified to chair the AC. The members of the AC, collectively, have expertise or experience in accounting and related financial management and are qualified to discharge the AC's responsibilities.

None of the members of the AC (i) is a former partner or director of the Company's existing auditing firm or audit corporation within the previous 2 years and (ii) holds any financial interest in the auditing firm or auditing corporation.

CORPORATE GOVERNANCE REPORT

Principle/ Provision

Provision
10.1

Code Description

Company's compliance or explanation

The terms of reference of the AC include, inter alia, the following:

- to assist the Board in the discharge of its responsibilities on financial reporting matters;
- to review, with the internal and external auditors, the audit plans, scope of work, their evaluation of the system of internal accounting controls, their management letter and our Management's response and results of our audits compiled by our internal and external auditors;
- to review the half-yearly and annual financial statements and results announcements before submission to our Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with financial reporting standards as well as compliance with the Catalist Rules and other statutory/regulatory requirements;
- to review the effectiveness, adequacy, independence, scope and results of the external audit and internal audit function, the Group's internal controls and procedures including accounting and financial controls and procedures and ensure coordination between the internal and external auditors, and the Management, reviewing the assistance given by the Management to the auditors, and discuss problems and concern, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of our management where necessary);
- to make recommendation to the Board on the proposals to the Shareholders on the appointment, re-appointment (taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority ("ACRA") and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- to review significant financial reporting issues and judgements with the CEO, the FC and the external auditors so as to ensure the integrity of the financial statements of our Group and any formal announcements relating to our Group's financial performance before their submission to our Board of Directors;
- to review and report to the Board at least annually the adequacy and effectiveness of the Group's material internal controls and risk management systems with the CEO, the FC and the internal and external auditor, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditors;
- to review and approve transactions falling within the scope of Chapter 9 (Interested Person Transactions) and Chapter 10 (Significant Transactions) of the Catalist Rules (if any);

CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<ul style="list-style-type: none"> to review any potential conflict of interest; to review and approve all hedging policies and instruments (if any) to be implemented to our Group; to review and establish procedures for receipt, retention and treatment of complaints received by our Group, inter alia, criminal offences involving our Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on our Group; to review the assurance from the CEO and the FC on the financial records and financial statements; to undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time; and to review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. <p>The Company has put into place whistle-blowing framework endorsed by the AC, where employees of the Company may, in confidence, raise concerns about possible corporate improprieties in matters of financial reporting or other matters by submitting a whistle blowing report via email to whistleblowing@vcplus.sg or by mail to the Chairman of the AC at 223 Mountbatten Road, #03-10 Singapore 398008.</p> <p>Details of the whistle-blowing policy and arrangements have been made available to all employees. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow up action to be taken. The AC will assess whether action or review is required and it is responsible for investigating and coordinating corrective action. All reports shall be handled with confidentiality, except where necessary or appropriate for the purpose to conduct investigation and to take remedial action, in accordance with the applicable laws and regulations. The identity of all whistle-blowers will be kept confidential so long as it does not hinder the investigation. Anonymous reports are difficult to investigate and to act upon effectively and will only be investigated subject to severity, credibility and verification from other sources.</p> <p>The Company will not retaliate against a whistle-blower. No person should suffer reprisal as a result of reporting a genuine concern.</p> <p>No whistle-blowing report or complaint was received in FY2022.</p>

CORPORATE GOVERNANCE REPORT

Principle/ Provision

Code Description

Company's compliance or explanation

Provision
10.5

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to, and the co-operation of the Management and full discretion to invite any Executive Director or key management personnel to attend its meetings. The AC has adequate resources, including access to external consultants and auditors, to enable it to discharge its responsibilities properly.

Annually, the AC meets (physically or via electronic means) separately with the external auditor ("EA") and the IA without the presence of Management.

The fees paid/payable to the EA for FY2022 are as follows:

Fees Paid/Payable to the external auditor for FY2022		
	SGD	% of total
Audit fees	111,000	86
Non-Audit Fees		
- Audit-related services	14,000	11
- Non audit-related services (Tax Compilation Service fees)	4,000	3
Total	129,000	100

Provision
10.4

During FY2022, the AC reviewed the reports submitted by the IA relating to the audits conducted to assess the adequacy and the effectiveness of the Group's risk management and the internal control systems put in place, including financial, operational, compliance and information technology controls. Any material non-compliance or lapses in internal controls together with recommendation for improvement are reported to the AC. A copy of the report is also issued to the relevant department for its follow-up action. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored. The AC is satisfied that IA is adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and resourced and has the appropriate standing in the Company to discharge its duties effectively. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the AC.

CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
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SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11
Provision 11.1

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

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Company's business which could have a material impact on the Company's share price. Shareholders are entitled to attend the general meetings of shareholders and given the opportunity to participate effectively in and vote at general meetings of shareholders and are informed of the rules governing general meetings of shareholders.

In compliance with Rule 730A (2) of the Catalist Rules, resolutions tabled at general meetings of shareholders will be put to vote by poll. The detailed voting results, including the total number of votes cast for or against each resolution tabled, will be announced immediately at the general meeting of shareholders and via SGXNET.

Provision 11.2

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

Provision 11.3

The Company requires all Directors (including the respective chairman of the Board Committees) to be present at all general meetings of shareholders, unless of exigencies. The EA is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the EA's report. The attendance of the Directors of the Company at the Company's general meeting(s) held during FY2022 are reflected in the table below:

Name of Director	General Meeting(s)
Number of meetings held:	2
Number of meetings attended:	
Mr. Lim Chiau Woei ⁽¹⁾	2
Mr. Gavin Mark McIntyre	2
Mr. Chua Ser Miang	2
Ms. Lee Kim Lian, Juliana	2
Mr. Lim Beng Chew	2

Note:

(1) Mr. Lim Chiau Woei resigned as a Director and the MD of the Company on 31 August 2022.

CORPORATE GOVERNANCE REPORT

Principle/ Provision

Code Description

Company's compliance or explanation

Provision
11.4

The Company's Constitution allows for absentia voting. The Company does not implement absentia voting methods such as voting via mail, email or fax until security, integrity and other pertinent issues are satisfactory resolved.

Provision
11.5

The Company publishes minutes of all general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

Provision
11.6

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends that the Director may recommend or declare in respect of any particular financial year or period will be subject to, inter alia, the Group's level of cash and retained earnings, actual and projected financial performance, projected levels of capital expenditure and expansion plans, working capital requirements and general financing condition, and any restrictions on payment of dividends imposed by the Group's financing arrangements.

The Board has not declared or recommended any dividend for FY2022, as the Group does not have profits available for the declaration of a dividend.

Engagement with Shareholders

Principle 12
Provision
12.1

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

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including non-controlling shareholders are protected.

The Company is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Company's business which could have a material impact on the Company's share price. Shareholders are entitled to attend the general meetings of shareholders and given the opportunity to participate effectively in and vote at general meetings of shareholders and are informed of the rules governing general meetings of shareholders.

Provision
12.2; 12.3

The Company does not have an investor relation policy. However, the Company is committed to good corporate governance and transparency by disclosing to its stakeholders, including its shareholders, in a timely, fair and transparent manner.

All material information on the performance and development of the Group and of the Company is disclosed in an accurate and comprehensive manner through SGXNET.

CORPORATE GOVERNANCE REPORT

Principle/ Provision

Code Description

Company's compliance or explanation

Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website at www.vcplus.sg. Mr. Chua Ser Miang is the Lead Independent Director and Non-Executive Chairman and is available to shareholders at chuasm@outlook.com, where they have concerns and for which contact through the normal channels of communication with management are inappropriate or inadequate.

Notwithstanding that the Company does not have a dedicated investor relations team and investor relations policy. Mr. Chong Heng Loong, the CEO of the Company is responsible for the Company's communication with shareholders. Shareholders and investors who have questions may reach out to Mr. Chong at enquiry@vcplus.sg. The said email address is also available at the Company's corporate website. The Company will consider the appointment of a professional investor relations officer to manage the function and put in place an investor relations policy when the need arises.

MANAGING STAKEHOLDER RELATIONSHIPS

Engagement with Stakeholders

Principle 13
Provision 13.1; 13.2

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

The Company notes that different stakeholders are important to the Company to varying degrees. While some stakeholders can influence the actions of the Company, there are also others that have less or little influence on the Company and yet are impacted by the actions of the Company. The Company considers it to be important to actively engage all its stakeholders and to receive feedback of the impacts or potential impacts of the Company's actions. Having assessed the stakeholders in terms of their impacts on the Company as well as the impact or potential impacts upon the stakeholders by the actions of the Company, it has identified the key stakeholders, the methods of engagement and addressed their concerns accordingly.

Provision 13.3

As mentioned above, the Company maintains a website (www.vcplus.sg) which allows stakeholders to communicate and engage with the Company. Mr. Chua Ser Miang, our Lead Independent Director and Non-Executive Chairman is available to shareholders at chuasm@outlook.com, where they have concerns and for which contact through the normal channels of communication with Management are inappropriate or inadequate.

CORPORATE GOVERNANCE REPORT

COMPLIANCE WITH APPLICABLE CATALIST RULES

Catalist Rule	Rule Description	Company's Compliance or Explanation
711A and 711B	Sustainability Reporting	<p>Under Practice Note 7F (Sustainability Reporting Guide) issued by the SGX-ST, the Board should determine the environmental, social and governance factors ("ESG Factors") identified as material to the Group's business and ensure that they are monitored and managed. The Board has ultimate responsibility for the Company's sustainability reporting.</p> <p>The Group has continued its ESG factors assessment during FY2022. The assessment process takes reference from Global Reporting Initiative Standards ("GRI Standards") reporting guidelines.</p> <p>Disclosure on the material ESG factors identified and assessed during FY2022 has made with reference to the GRI Standards framework. Refer to the Company's sustainability report for FY2022 which will be released by 30 April 2023 for more details.</p>
712, 715 or 716	Appointment of Auditors	The Company confirms its compliance with the Catalist Rules 712 and 715.
1204(8)	Material Contracts	Save as previously announced by the Company via SGXNET, and for the service agreement entered into between the Executive Director, the CEO, and the Company, there are no material contracts entered into by the Group involving the interest of any Director or controlling shareholder, which are either still subsisting at the end of FY2022 or if not then subsisting, entered into since the end of the previous financial year.
1204(10)	Confirmation of Adequacy of Internal Controls	<p>The Board and the AC are of the opinion that the internal controls are adequate to address the financial, operational, compliance and information technology risks in FY2022 based on the following:</p> <ul style="list-style-type: none"> • internal controls procedures established by the Company; • works performed by the IA and EA during FY2022; • assurance from the CEO and the FC ; and • reviews done by the various Board Committees and key management personnel.
1204(10C)	AC's comment on internal audit function	<p>The AC reviews on the adequacy of the scope, functions, competency and resources of the outsourced internal audit function. The AC also reviews the internal audit plan of the Group with clear scope of audit and request the outsourced internal auditor to carry out internal audits based on the internal audit plan. AC is satisfied that the IA function is independent, effective and adequately resourced.</p> <p>The number of staff deployed for the internal audit assessment ranges from 3 to 4 staff per visit, including the Engagement Partner. Tricor Axcelasia is led by Mr. Ranjit Singh a/l Taram Singh ("Mr. Singh").</p>

CORPORATE GOVERNANCE REPORT

Catalist Rule	Rule Description	Company's Compliance or Explanation
		<p>Mr. Singh has been a Chartered Member of the Institute of Internal Auditors ("IIA") Malaysia since 2004 and was the President of the IIA Malaysia for the term 2013/2014. He was a member of the Board of Directors of Global IIA for the term 2017 to 2011. Mr. Singh was a member of the Audit Committee of Global IIA for the term 2017 to 2019, a member of the IIA's International Internal Audit Standards Board for the term 2016 to 2019 and the President of Asian Confederation of the Institute of Internal Auditors ("ACIIA") for the term 2016/2017. He obtained a Master of Business Administration from Heriot-Watt University, Edinburgh, UK and was awarded a Certified Internal Auditor (United States) in December 2013 and a Certification in Risk Management Assurance (United States) in April 2012.</p>
1204(17)	Interested Person Transaction ("IPT")	<p>The Group has procedures governing all IPTs to ensure that they are properly documented and reported in a timely manner to the AC and they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.</p> <p>On 19 May 2022, the Company completed the disposal of GGTM to the Company's former executive director Mr. Lim Chiau Woei. This disposal was approved by independent shareholders in the extraordinary general meeting held on 29 April 2022. More information is available in the circular in connection to the disposal dated on 14 April 2022.</p> <p>Save as disclosed, there are no disclosable IPTs in FY2022.</p>
1204(19)	Dealing in Securities	<p>The Company does not have a general mandate from its shareholders for IPTs.</p> <p>The Company has adopted an internal policy which prohibits the Company, its Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information.</p> <p>The Company, its Directors and employees are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. In addition, the Company, its Directors and employees are expected not to deal in the Company's securities on short term considerations and they are also prohibited from dealing in the Company's securities during the period commencing one month before the announcement of the Company's half-year and full-year financial statements respectively and ending on the date of the announcement of the relevant results.</p>
1204(21)	Non-sponsor Fees	<p>The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The Continuing Sponsor of the Company is UOB Kay Hian Private Limited ("UOBKH").</p> <p>For FY2022, there are no non-sponsor fees paid to UOBKH.</p>

CORPORATE GOVERNANCE REPORT

Catalist Rule

1204(22)

Rule Description

Use of Proceeds

Company's Compliance or Explanation

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 Annual Report, the proceeds had been fully utilized according to its intended use.

Purpose	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
Expenses for incorporation, set-up, working capital etc. of Custody Plus	900	900	-
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	850	-
Working capital including, inter alia, professional fees, staff salaries and general overheads	860	860	-
Total	2,610	2,610	-

The Company had on 19 December 2022 issued 170,000,000 new ordinary shares in respect of the subscription of the Company's shares by the investors in accordance with the subscription agreements dated 7 December 2022. The Company has raised net proceeds of approximately S\$1.67 million from the allotment and issuance of 170,000,000 Shares. As at the date of this Annual Report, the proceeds have been utilised as follows:

Purpose	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
To fund the commencement of the business of custodial services after receiving the in-principle approval from the Monetary Authority of Singapore	668	19	649
Working capital including, inter alia, professional fees, staff salaries and general overheads	1,002	38	964
Total	1,670	57	1,613

The proceeds were utilised in accordance with its intended use.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Lim Beng Chew and Mr. Gavin Mark McIntyre are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on Thursday, 27 April 2023 at 10.00 a.m., (“AGM”) (collectively, the “Retiring Directors” and each a “Retiring Director”).

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules of the SGX-ST is set out below:

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
Date of Appointment	22 February 2021	21 February 2017
Date of Last Re-Appointment	29 April 2021	29 April 2021
Age	60	57
Country of principal residence	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, board diversity consideration and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr. Lim Beng Chew for re-appointment as Executive Director of the Company. The Board has reviewed and concluded that Mr. Lim Beng Chew possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr. Gavin Mark McIntyre for re-appointment as Independent Director of the Company. The Board has reviewed and concluded that Mr. Gavin Mark McIntyre possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board
Whether appointment is executive, and if so, the area of responsibility	Executive. Mr. Lim Beng Chew’s area of responsibility includes managing Company assets, optimising financial operations, ensuring tax compliance, and streamlining daily operations.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director.	Independent Director, Chairman of the Audit Committee, member of the Nominating Committee and member of the Remuneration Committee.
Academic qualifications	GCE “O” Level	Accounting, Curtin University
Working experience and occupation(s) during the past 10 years	From 1989 to present: Founder and Chief Executive Officer of Ariki Pte Ltd From 2017 to present: Founding Partner of Sevens Group of companies	From April 2018 to present: Director of Aegis Interaktif Asia Pte Ltd From December 2015 to present: Executive Director of Equitasia Group Pte. Ltd. From March 2013 to November 2015: Director of Censere Singapore Pte Ltd

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
Shareholding interest in the listed issuer and its subsidiaries	Yes. 1,234,452,015 shares (direct interest)	No
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
<i>* "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)</i>		
Past (for the last 5 years)	<p>Rico Development Pte Ltd (Director, July 2014 – November 2018)</p> <p>ECXX Global Pte Ltd (Director, August 2020 – February 2021)</p> <p>Top Dutyfree Pte. Ltd. (Director 23 July 2014 – 30 June 2021)</p>	NIL
Present	<p>Ariki Pte. Ltd. (Chief Executive Officer)</p> <p>UB Development Pte Ltd (Director)</p> <p>Cocoland Development Pte Ltd (Director)</p> <p>VL Properties Pte Ltd (Director)</p> <p>NL Properties Pte Ltd (Director)</p> <p>SLWZ Development Pte Ltd (Director)</p> <p>Everland Development Pte Ltd (Director)</p> <p>Seven TK Pte Ltd (Director)</p> <p>Sevens Casa Pte Ltd (Director)</p> <p>Sevens Villa Pte Ltd (Director)</p> <p>Sevens Group (Aries) Pte Ltd (Director)</p> <p>Sevens Group (Taurus) Pte Ltd (Director)</p>	<p>Aegis Interaktif Asia Pte Ltd (Director)</p> <p>Equitasasia Pte Ltd (Executive Director)</p> <p>Equitasasia Holdings Pte Ltd (Director)</p> <p>Equitas Financial Services Pte Ltd (Director)</p> <p>Equitasasia Sdn Bhd (Director)</p> <p>Equitasasia Co., Ltd Thailand (Director)</p> <p>Nico Steel Holdings Limited (Independent Director)</p> <p>Equitasasia Limited – Hong Kong (Alternate Director)</p> <p>Xin Dun Shipping (Pte) Ltd (under judicial management) (Director)</p> <p>An He Shipping Pte Ltd (Director)</p>

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
	Sevens Group (Gemini) Pte Ltd (Director)	Xin Bo Shipping (Pte) Ltd (under judicial management) (Director)
	Sevens Group (Leo) Pte Ltd (Director)	Xin Guang Shipping (Pte) Ltd (Director)
	Sevens Group (Virgo) Pte Ltd (Director)	Da Guang Tankers (Pte) Ltd (under judicial management) (Director)
	WA Investment Holdings Limited (Director)	Da Zhong Tankers (Pte) Ltd (under judicial management) (Director)
	Ariki Capital Pte Ltd (Director)	Dong Sheng Tankers (Pte) Ltd (under judicial management) (Director)
	Auto Imperial Cars Pte Ltd (Director)	Dong Ya Tankers (Pte) Ltd (under judicial management) (Director)
	Rico Ventures Pte Ltd (Director)	Xin An Shipping (Pte) Ltd (under judicial management) (Director)
	Ariki Asia Limited (Director)	Xin Kang Shipping (Pte) Ltd (under judicial management) (Director)
	Spire Ventures Sdn Bhd (Director)	Dafa Shipping (Pte) Ltd (under judicial management) (Director)
	Rico Development Sdn Bhd (Director)	Dong Jiang Tankers (Pte) Ltd (under judicial management) (Director)
	Rico Ventures Sdn Bhd (Director)	Dong Nan Tankers (Pte) Ltd (under judicial management) (Director)
	Taiwan Ariki Co Ltd (Director)	Xin Chun Shipping (Pte) Ltd (under judicial management) (Director)
	Sevens Group (Capricorn) Pte Ltd (Director)	Xin Ying Shipping (Pte) Ltd (under judicial management) (Director)
	Sevens Group (Aquarius) Pte Ltd (Director)	Xin Hui Shipping (Pte) Ltd (under judicial managements) (Director)
	Sevens Group (Pisces) Pte Ltd (Director)	Xin Ya Shipping & Trading (Pte) Ltd (under judicial managements) (Director)
	ANY Lifestyle Pte Ltd (Director)	Dong Fang Shipping & Trading (Pte) Ltd (under judicial managements) (Director)
	Sevens Group (Libra) Pte Ltd (Director)	Da Xin Tankers (Pte) Ltd (under judicial managements) (Director)
	Sevens Group (Scorpio) Pte Ltd (Director)	
	Sevens Group (Sagittarius) Pte Ltd (Director)	
	E Capital Development Pte Ltd (Director)	
	Sevens Developments Pte Ltd (Director)	

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
		<p>Xin Sheng Shipping (Pte) Ltd (under judicial managements (Director)</p> <p>Hua An Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>Hua Guang Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>Hua Kang Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>Hua Zhong Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>Hua Sheng Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>Hua Xin Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>Nan Yi Maritime (Pte) Ltd. (under judicial managements (Director)</p> <p>Nan Zhou Maritime (Pte.) Ltd. (under judicial managements (Director)</p> <p>Nan Chiau Maritime (Pte.) Ltd. (under judicial managements (Director)</p> <p>Nan Hai Maritime (Pte.) Ltd. (under judicial managements (Director)</p> <p>Nan King Maritime (Pte.) Ltd. (under judicial managements (Director)</p> <p>Nan Chuan Maritime (Pte.) Ltd (under judicial managements (Director)</p> <p>Nan Sia Maritime (Pte.) Ltd (under judicial managements (Director)</p> <p>Nan Ya Maritime (Pte.) Ltd. (under judicial managements (Director)</p> <p>Biolidics Limited (Director)</p> <p>An Sheng Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>An Hua Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>An Xing Shipping Pte. Ltd. (under judicial managements (Director)</p>

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
		<p>An Ya Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>An Kang Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>An Hui Shipping Pte. Ltd. (under judicial managements (Director)</p> <p>An Guang Shipping Pte. Ltd. (under judicial managements (Director)</p>
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	<p>Yes.</p> <p>Mr. Gavin Mark McIntyre is a director of a group of companies which are currently under judicial management (as set out above). Mr. Gavin Mark McIntyre was appointed a director of these companies by the judicial managers in October 2020 and November 2020 in order to assist the judicial managers with the judicial management process.</p>
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No


ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
<p>(j) Whether he has ever, to his knowledge, been concerned with the management of conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Lim Beng Chew	Gavin Mark McIntyre
Any prior experience as a director of a listed company?		
If yes, please provide details of prior experience.	Not applicable.	Not applicable.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Mr. Lim Beng Chew is nominated for re-election to the Board.	Mr. Gavin Mark McIntyre is nominated for re-election to the Board.
Please provide details of relevant experience and the Nominating Committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).		

FINANCIAL CONTENT



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DIRECTORS' STATEMENT

The Directors of VCPlus Limited (the “Company”) present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the “Group”) for the financial year ended 31 December 2022 and the statement of financial position of the Company as at 31 December 2022.

1. Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022, and of the financial performance, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) at the date of this statement, and with reference to Note 4 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are as follows:

Chua Ser Miang
Gavin Mark McIntyre
Juliana Lee Kim Lian
Lim Beng Chew

3. Arrangements to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the "Act"), none of the Directors of the Company who held office at the end of the financial year had any interests in the shares or debentures of the Company or its related corporations except as follows:

Name of directors	Shareholdings registered in name of Director or nominee		Shareholdings in which Director is deemed to have an interest	
	Balance at 1 January 2022	Balance at 31 December 2022	Balance at 1 January 2022	Balance at 31 December 2022
Company				
<i>Ordinary shares</i>				
Lim Beng Chew	1,234,452,015	1,234,452,015	-	-
Chua Ser Miang	-	-	-	-
Gavin Mark McIntyre	-	-	-	-
Juliana Lee Kim Lian	-	-	-	-
Lim Chiau Woei (Resigned on 31 August 2022)	272,263,319	206,263,319	-	-

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of Directors' Shareholdings, the Directors' interest as at 21 January 2023 in the shares of the Company have not changed from those disclosed as at 31 December 2022.

5. Share plans

Pursuant to the PSP (as defined below), on 21 September 2022, the Company awarded 26,250,000 new ordinary shares to the Company's Chief Executive Officer, Chong Heng Loong who is also a director of a subsidiary of the Group, to be vested in three equal tranches of 8,750,000 Shares per tranche on 30 December 2022, 30 December 2023 and 30 December 2024 respectively, subject to conditions being met. The first tranche of 8,750,000 ordinary shares vested on 30 December 2022 and were issued subsequent to the end of financial year on 3 January 2023.

Save for the above, there were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

5. Share plans (Continued)

Performance Share Plan (“PSP”)

Pursuant to an Extraordinary General Meeting of the Company held on 22 September 2015, the Anchor Resources Performance Share Plan (“PSP”) was established.

The PSP is administered by the Remuneration Committee (“RC”) with such powers and duties conferred to it by the Board. The members of the Remuneration Committee as at the date of the report are Chua Ser Miang, Juliana Lee Kim Lian and Gavin Mark McIntyre. A member of the Remuneration Committee who is also a participant of the PSP must not be involved in its deliberation in respect of the Awards granted or to be granted to him.

The salient features of the PSP is as follows:

- (a) to foster an ownership culture within our Group which aligns the interests of our employees with the interests of shareholders;
- (b) motivate participants of the PSP to achieve our key financial and operational goals; and
- (c) make total employee remuneration sufficiently competitive to recruit and retain staff having skills that are commensurate with our ambition to become a world-class company.

A summary of the Rules of the PSP is set out as follows:

Participants

Group Executives who have attained the age of 21 years and hold such rank as may be designated by the Remuneration Committee from time to time shall be eligible to participate in the PSP.

Controlling shareholders of the Company or associates of such controlling shareholders who meet the criteria above are also eligible to participate in the PSP if their participation and awards are approved by independent shareholders in separate resolutions for each such person and for each such award.

The selection of a participant and the number of Shares which are the subject of each Award to be granted to a participant in accordance with the PSP shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as his rank, job performance and potential for future development, his contribution to the success and development of the Group and, if applicable, the extent of effort to achieve the performance target(s) within the performance period.

Size of PSP

The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the PSP, when aggregated with the aggregate number of Shares over which options are granted under any other share option schemes of the Company, shall not exceed 15.0% of the total number issued Shares (excluding Shares held by the Company as treasury shares) from time to time.

DIRECTORS' STATEMENT

5. Share plans (Continued)

Performance Share Plan (“PSP”) (Continued)

Maximum entitlements

Subject to the following, the aggregate number of Shares which may be issued or transferred pursuant to awards granted under the PSP shall be determined by the Remuneration Committee:

- (a) the aggregate number of shares which may be issued or transferred pursuant to Awards under the PSP to participants who are controlling shareholders and their associates shall not exceed 25.0% of the Shares available under the PSP; and
- (b) the number of Shares which may be issued or transferred pursuant to Awards under the PSP to each participant who is a Controlling Shareholder or his associate shall not exceed 10.0% of the Shares available under the PSP.

Awards

Awards represent the right of a participant to receive fully paid Shares free of charge, provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed performance period.

Shares which are allotted and issued or transferred to a participant pursuant to the release of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during a specified period (as prescribed by the Remuneration Committee in the award letter), except to the extent approved by the Remuneration Committee.

Details of Awards

The Remuneration Committee shall decide, in relation to each Award to be granted to a participant:

- (a) the date on which the Award is to be granted;
- (b) the number of Shares which are the subject of the Award;
- (c) the performance target(s) and the performance period during which such performance target(s) are to be satisfied, if any;
- (d) the extent to which Shares, which are the subject of that Award, shall be released on each prescribed performance target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the performance period; and
- (e) any other condition which the Remuneration Committee may determine in relation to that Award.

Timing of Awards

While the Remuneration Committee has the discretion to grant Awards at any time in the year, it is currently anticipated that Awards would in general be made once a year. An Award letter confirming the Award and specifying, inter alia, the number of shares which are the subject of the Award, the prescribed performance target(s), the performance period during which the prescribed performance target(s) are to be attained or fulfilled and the schedule setting out the extent to which Shares will be released on satisfaction of the prescribed performance target(s), will be sent to each participant as soon as reasonably practicable after the making of an Award.

5. Share plans (Continued)

Performance Share Plan (“PSP”) (Continued)

Vesting of Awards

Subject to the applicable laws, the Company will deliver Shares to participants upon vesting of their Awards by way of either an issue of new Shares; or a transfer of Shares then held by the Company in treasury.

In determining whether to issue new Shares to participants upon vesting of their Awards, the Company will take into account factors such as, but not limited to, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of issuing new Shares or delivering existing Shares.

Termination of Awards

Special provisions in the rules of the PSP dealing with the lapse or earlier vesting of Awards apply in circumstances which include the termination of the participant's employment, the bankruptcy of the participant and the winding-up of the Company.

Rights of shares arising

New Shares allotted and issued and existing Shares procured by the Company for transfer on the release of an Award shall be eligible for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the relevant date of issue or, as the case may be, delivery, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

Duration of PSP

The PSP shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which the PSP is adopted by the Company in general meeting, provided always that the PSP may continue beyond the above stipulated period with the approval of shareholders in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the PSP, any Awards made to participants prior to such expiry or termination will continue to remain valid.

Abstention from voting

Shareholders who are eligible to participate in the PSP are to abstain from voting on any shareholders' resolution relating to the PSP and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

At the end of the financial year, none of the Directors of the Company had any interests pursuant to the PSP.

DIRECTORS' STATEMENT

6. Audit committee

The Audit Committee comprises the following members, who are all non-Executive and Independent Directors. The members of the Audit Committee at the date of this statement are:

Gavin Mark McIntyre (Chairman)
Chua Ser Miang
Juliana Lee Kim Lian

The Audit Committee performed the functions specified in Section 201B(5) of the Act and the Singapore Code of Corporate Governance, including the following:

- (i) reviewing the audit plans and results of the external audits;
- (ii) reviewing the audit plans and results of the internal auditors' examination and evaluation of the Group's system of internal controls;
- (iii) reviewing the Group's financial and operating results and accounting policies;
- (iv) reviewing the half yearly and full year results announcements;
- (v) reviewing the consolidated financial statements of the Group, the statement of financial position of the Company and the external auditor's report on those financial statements before their submission to the Directors of the Company;
- (vi) ensuring the co-operation and assistance given by the management to the Group's internal and external auditors;
- (vii) making recommendation to the Board of Directors on the re-appointment of the Group's internal and external auditors; and
- (viii) reviewing the Interested Person Transactions as required and defined in Chapter 9 of the Rules of Catalist of SGX-ST and ensuring that the transactions were on normal commercial terms and not prejudicial to the interests of the members of the Company.

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditor to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

On behalf of the Board of Directors

Chua Ser Miang
Director
11 April 2023

Lim Beng Chew
Director

INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of VCPlus Limited (the “Company”) and its subsidiaries (the “Group”), which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the financial year then ended; and
- notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

Key Audit Matters	Audit Response
<p>1 Investment in APEC Solutions Pte. Ltd. (“APEC Solutions”) and related intangible assets</p> <p>As at 31 December 2022, the Company’s investment in APEC Solutions and related intangible assets, net of impairment, amounted to S\$2,810,000 and S\$2,406,000, respectively.</p> <p>In accordance with SFRS(I) 1-36 <i>Impairment of Assets</i>, the Group is required to test its goodwill for impairment annually, or more frequently if there are indicators that the asset may be impaired. The cost of investment in APEC Solutions and other intangible assets are tested for impairment when there is an indication that the assets may be impaired.</p> <p>For the purpose of impairment assessment of the cost of investment in APEC Solutions and these intangible assets as at end of the financial year, management has prepared discounted cash flow forecasts for APEC Solutions to determine if any impairment is required.</p> <p>During the financial year ended 31 December 2022, the Group recorded an impairment loss on goodwill of S\$1,220,000 and the Company recorded an impairment loss on cost of investment in APEC Solutions of S\$1,500,000, as the recoverable amount of the cash generating unit was determined to be lower than its carrying amounts.</p> <p>We have determined the impairment assessment of the cost of investment in APEC Solutions and related intangible assets to be a key audit matter as the assessment involved significant management judgements and estimates with regard to the valuation process and key assumptions on the future market conditions, revenue and terminal growth rates and discount rates used in the discounted cash flow forecasts prepared by management.</p> <hr/> <p>Refer to Notes 3.2(i), 3.2(ii), 7 and 8 of the accompanying financial statements.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none">• Evaluated the reasonableness of the key assumptions made by management in preparing the discounted cash flows forecasts by checking against relevant underlying data;• Performed sensitivity analysis around the key assumptions used in management’s impairment assessment of the cost of investment in APEC Solutions and related intangible assets, including the discount rate, revenue and terminal growth rates, used in cash flow forecasts; and• Evaluated the adequacy of the related disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Adrian Lee Yu-Min.

BDO LLP

Public Accountants and
Chartered Accountants

Singapore
11 April 2023

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

		Group			Company		
	Note	31.12.22	31.12.21	1.1.2021	31.12.22	31.12.21	1.1.2021
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
			(Restated)	(Restated)		(Restated)	(Restated)
ASSETS							
Non-current assets							
Property, plant and equipment	5	354	987	1,065	345	385	–
Mine properties	6	–	38	418	–	–	–
Intangible assets	7	2,406	3,768	–	–	–	–
Investments in subsidiaries	8	–	–	–	3,710	5,812	23,032
		2,760	4,793	1,483	4,055	6,197	23,032
Current assets							
Inventories	9	–	49	104	–	–	–
Trade and other receivables	10	279	542	1,122	1,282	49	613
Prepayments		776	516	31	29	84	4
Cash and cash equivalents	11	2,217	2,012	868	1,864	1,213	414
		3,272	3,119	2,125	3,175	1,346	1,031
Total assets		6,032	7,912	3,608	7,230	7,543	24,063
EQUITY AND LIABILITIES							
Equity							
Share capital	12	98,386	96,713	85,548	98,386	96,713	85,548
Other reserves	13	(187)	(39,247)	(38,966)	94	–	–
Currency translation reserve	14	1,435	1,519	1,763	1,275	1,117	1,705
Accumulated losses		(95,008)	(53,093)	(50,676)	(94,152)	(91,616)	(66,934)
Equity/(Deficit) attributable to owners of the parent		4,626	5,892	(2,331)	5,603	6,214	20,319
Non-controlling interest	8	199	392	–	–	–	–
Total equity/(deficit)		4,825	6,284	(2,331)	5,603	6,214	20,319
Non-current liabilities							
Lease liabilities	15	139	298	161	139	273	–
Deferred tax liabilities	16	71	71	–	–	–	–
		210	369	161	139	273	–
Current liabilities							
Trade and other payables	17	864	1,100	2,112	1,355	930	166
Lease liabilities	15	133	159	88	133	126	–
Borrowings		–	–	3,578	–	–	3,578
		997	1,259	5,778	1,488	1,056	3,744
Total liabilities		1,207	1,628	5,939	1,627	1,329	3,744
Total equity and liabilities		6,032	7,912	3,608	7,230	7,543	24,063

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

	Note	2022 S\$'000	2021 S\$'000 (Restated)
Revenue	18	828	197
Other income	19	364	67
Raw materials and consumables used		(141)	-
Depreciation and amortisation expenses	20	(269)	(43)
Employee benefits expense	21	(1,525)	(1,150)
Lease expenses	22	(11)	(31)
Other expenses		(2,144)	(1,135)
Loss allowance on trade receivables	10	(21)	-
Finance costs	23	(17)	(46)
Loss before income tax from continuing operations	24	(2,936)	(2,141)
Income tax (expense)/credit	25	(6)	1
Loss from continuing operations		(2,942)	(2,140)
Loss from discontinued operations, net of tax	26	(200)	(334)
Loss for the financial year		(3,142)	(2,474)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(84)	(244)
Other comprehensive income for the financial year, net of tax		(84)	(244)
Total comprehensive income for the financial year		(3,226)	(2,718)
<u>Loss attributable to owners of the parent</u>			
Loss from continuing operations, net of tax		(2,749)	(2,083)
Loss from discontinued operations, net of tax	26	(200)	(334)
		(2,949)	(2,417)
Non-controlling interest	8	(193)	(57)
		(3,142)	(2,474)
<u>Total comprehensive income attributable to owners of the parent</u>			
Loss from continuing operations, net of tax		(2,833)	(2,327)
Loss from discontinued operations, net of tax		(200)	(334)
		(3,033)	(2,661)
Non-controlling interest	8	(193)	(57)
		(3,226)	(2,718)
Loss per share attributable to owners of the Company			
S\$ cents (continuing operations) basic and diluted	27	(0.0603)	(0.0511)
S\$ cents (discontinued operations) basic and diluted	27	(0.0044)	(0.0082)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

Note	Share capital S\$'000	Currency translation reserve S\$'000	Other reserves S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling Interest S\$'000	Total S\$'000
Balance at 1 January 2022	96,713	8	(39,247)	(53,093)	4,381	392	4,773
Effect of change in presentation currency	-	1,511	-	-	1,511	-	1,511
At 1 January 2022, as restated	96,713	1,519	(39,247)	(53,093)	5,892	392	6,284
Loss for the financial year	-	-	-	(2,949)	(2,949)	(193)	(3,142)
Other comprehensive income for the financial year:							
Foreign currency translation differences	-	(84)	-	-	(84)	-	(84)
Transfer of merger reserve due to disposal of subsidiaries	26	-	38,966	(38,966)	-	-	-
Total comprehensive income for the financial year	-	(84)	38,966	(41,915)	(3,033)	(193)	(3,226)
Contribution by owners of the parent:							
Issuance of new ordinary shares	12	1,673	-	-	1,673	-	1,673
Recognition of share based payment	13	-	94	-	94	-	94
Total transactions with owners	1,673	-	94	-	1,767	-	1,767
Balance at 31 December 2022	98,386	1,435	(187)	(95,008)	4,626	199	4,825
As previously stated	85,548	9	(38,966)	(50,676)	(4,085)	-	(4,085)
Effect of change in presentation currency	-	1,754	-	-	1,754	-	1,754
Balance at 1 January 2021	85,548	1,763	(38,966)	(50,676)	(2,331)	-	(2,331)
Loss for the financial year	-	-	-	(2,417)	(2,417)	(57)	(2,474)
Other comprehensive income for the financial year:							
Foreign currency translation differences	-	(244)	-	-	(244)	-	(244)
Total comprehensive income for the financial year	-	(244)	-	(2,417)	(2,661)	(57)	(2,718)
Contribution by owners of the parent:							
Issuance of new ordinary shares	12	11,165	-	-	11,165	-	11,165
Total transactions with owners	11,165	-	-	-	11,165	-	11,165
Excess of consideration paid recognised in equity	8	-	(281)	-	(281)	449	168
Balance at 31 December 2021	96,713	1,519	(39,247)	(53,093)	5,892	392	6,284

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Note	2022 S\$'000	2021 S\$'000 (Restated)
Operating activities			
Loss before income tax from continuing operations		(2,936)	(2,141)
Loss before income tax from discontinued operations		(200)	(334)
Loss before income tax, total		(3,136)	(2,475)
Adjustments for:			
Depreciation and amortisation expenses	20	308	231
Share based compensation	13	94	–
Interest expenses	23	18	57
Loss allowance on third party trade receivables	10	21	–
Loss on disposal of property, plant and equipment	24	–	68
Gain on disposal of subsidiaries	26	(13)	–
Impairment loss on goodwill	24	1,220	–
Impairment loss on intangibles assets	24	62	–
Gain on settlement of claims and disputes	19	–	(542)
Reversal of impairment losses on trade receivables	19	–	(161)
Inventories written-off	24	–	60
Mining properties written-off	24	–	331
Plant and equipment written-off	24	–	132
Unrealised exchange difference		17	(277)
Operating cash flows before working capital changes		(1,409)	(2,576)
Working capital changes:			
Inventories		9	(6)
Trade and other receivables		23	912
Prepayments		(261)	(185)
Trade and other payables		157	(382)
Cash used in operations, representing net cash used in operating activities		(1,481)	(2,237)
Investing activities			
Proceeds from disposal of property, plant and equipment		–	14
Proceeds from disposal of subsidiaries	26	322	–
Acquisition of subsidiary	8	–	508
Purchase of property, plant and equipment	5	(147)	(22)
Net cash generated from investing activities		175	500
Financing activities			
Interest paid	15	(18)	(15)
Proceeds from issuance of new ordinary shares	12, A	1,673	2,994
Repayment of lease obligation	15	(144)	(98)
Net cash generated from financing activities		1,511	2,881
Net changes in cash and cash equivalents		205	1,144
Exchange difference on cash and cash equivalents		–	–
Cash and cash equivalents at beginning of financial year		2,012	868
Cash and cash equivalents at end of financial year	11	2,217	2,012

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

Note A: Reconciliation of liabilities arising from financing activities

			Non-cash changes			
	1 January 2021 S\$'000	Proceeds from issuance of share capital S\$'000	Settlement of unsecured term loan S\$'000	Acquisition of a subsidiary S\$'000	Prepayments S\$'000	31 December 2021 S\$'000
Share capital	85,548	2,994	3,561	4,310	300	96,713

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

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

1. General corporate information

VCPlus Limited (the “Company”) is a public limited liability company, incorporated and domiciled in Singapore and its registered office and principal place of business are 138 Robinson Road, #26-03 Oxley Tower, Singapore 068906 and 223 Mountbatten Road, #03-09/10, Singapore 398008 respectively. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The registration number of the Company is 201531549N.

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

The principal activities of the significant subsidiaries are set out in Note 8 to the financial statements.

The Company’s ultimate controlling party is Lim Beng Chew, who is a Director of the Company as at 31 December 2022.

The consolidated financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2022 were authorised for issue in accordance with a Directors’ resolution dated 11 April 2023.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”). The financial statements are prepared under the historical cost convention, except as disclosed in the accounting policies below and on a going concern basis as referred to in Note 4 to the financial statements.

Changes in functional and presentation currency

Taking into account the Group’s exit from the Granite Business in Malaysia after the completion of the disposal of the GGTM Sdn. Bhd. on 19 May 2022 (Note 26), the Company’s business comprises the FinTech Business and the Group’s business and operating environment will be denominated in Singapore dollars (S\$).

As a result of change in underlying transactions, events and conditions relevant to the Company, the functional currency of the Company was changed from Ringgit Malaysia (“RM”) to Singapore dollar (“S\$”).

Following the change in functional currency, the presentation currency of the Company and the Group was changed from RM to S\$. The change in presentation currency is a change in accounting policy which has been taken retrospectively at the earliest comparable period. The comparative information has been restated to conform with the current year’s presentation and further details are set out in Note 31 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

Changes in functional and presentation currency (Continued)

The individual financial statement of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operate (its functional currency). The consolidated financial statements of the Group and the statement of the financial position of the Company are presented in S\$ which is the functional currency of the Company and the presentation currency for the consolidated financial statements and all values presented are rounded to the nearest thousand ("S\$'000") as indicated.

The preparation of financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have significant effect on the financial statements are disclosed in Note 3 to the financial statements.

In the current financial year, the Group has adopted all the new or revised SFRS(I)s that are relevant to its operations and effective for the current financial year. The adoption of these new or revised SFRS(I)s did not result in changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Changes in accounting policies

New standards, amendments and interpretations effective from 1 January 2022

The standards, amendments to standards, and interpretations that will apply for the first time by the Group are not expected to impact the Group as they are either not relevant to the Group's business activities or require accounting which is consistent with the Group's current accounting policies.

SFRS(I)s issued but not yet effective

There are a number of standards, amendments to standards, and interpretations that are effective in future accounting periods and the Group has not decided to early adopt. The Group does not expect any of these standards upon adoption will have a material impact to the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

Changes in functional and presentation currency (Continued)

Changes in accounting policies (Continued)

SFRS(I)s issued but not yet effective (Continued)

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

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are consolidated from the date on which the Group obtains control over the investee and cease from consolidation when the control is lost. Control is reassessed whenever the facts and circumstances indicate that there may be a change in the elements of control. All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides an impairment indicator of the transferred asset.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests

Non-controlling interests represents the equity in subsidiaries which is not attributable directly or indirectly to the equity owners of the parent. They are shown separately in the consolidated statements of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.2 Basis of consolidation (Continued)

Non-controlling interests (Continued)

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners). The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary and any non-controlling interest. The profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

Acquisitions under common control

Business combination arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously and no adjustments are made to reflect the fair values or to recognise any new assets or liabilities, including no goodwill is recognised as a result of the combination. The components of equity of the acquired entities are added to the same components within the Group's equity. Any difference between the consideration paid for the acquisition and share capital of acquirees is recognised directly to equity as merger reserve.

2.3 Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Investments in subsidiaries are accounted for at cost, less any impairment loss, in the Company's statement of financial position.

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.3 Subsidiaries (Continued)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair values at the acquisition date.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities and contingent liabilities assumed.

Goodwill on subsidiary is recognised separately as intangible assets (Note 7). Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

2.4 Property, plant and equipment

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

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

Other items of property, plant and equipment are subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts of the property, plant and equipment over their estimated useful lives as follows:

	Years
Buildings	20
Furniture and fittings	5
Office equipment	3
Motor vehicles	5
Renovation	3
Plant and machinery	10
Road and infrastructure	20
Electrical installation works	5
Tools and equipment	3

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.4 Property, plant and equipment (Continued)

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

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each reporting period.

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

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

2.5 Mine properties

When production commences, carried forward development assets are transferred to mine properties and the accumulated costs for the relevant area of interest will then be amortised over the life of the area.

(i) Granite mine (Discontinued operation Note 26)

Amortisation for granite mine properties is based on straight-line method over the concession period of the mine properties of 16 years (2020: 17 years).

The unit-of-production rate and straight-line method for the amortisation of mine properties takes into account expenditure incurred to date, together with sanctioned future development expenditure.

2.6 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill if the assets and their fair values can be measured reliably. The cost of such intangible assets is their fair value as at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets acquired separately (Note 2.10).

2.7 Impairment of non-financial assets

Assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.7 Impairment of non-financial assets (Continued)

Assets other than goodwill (Continued)

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

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

Goodwill

Goodwill is recognised separately as intangible assets and is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Goodwill is allocated on initial recognition to each of the Group's cash-generating units expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a weighted average basis and includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price at which inventories can be realised in the ordinary course of business, less estimated costs incurred in marketing and distribution. Where necessary, allowance is made for obsolete, slow-moving and defective inventories to adjust the carrying value of those inventories to the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.9 Financial instruments

The Group recognises a financial asset or a financial liability in its statements of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

Financial assets

The Group classifies its financial assets into one of the categories below, depending on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group shall reclassify its affected financial assets when and only when the Group changes its business model for managing these financial assets. The Group's accounting policy for each category is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Loss allowances for trade receivables are recognised based on the simplified approach within SFRS(I) 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such allowances are recorded in a separate allowance account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the trade receivables will not be collectable, the gross carrying value of the asset is written off against the associated allowance.

Loss allowances for receivables from other financial assets are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the allowance is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's and the Company's financial assets measured at amortised cost comprise trade and other receivables (excluding prepayments, advance payments to suppliers and goods and services tax ("GST")) and cash and cash equivalents in the statements of financial position.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.9 Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group and the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. The Company classifies ordinary shares as equity instruments.

Financial liabilities

The Group classifies all financial liabilities as subsequently measured at amortised cost, and financial liabilities at fair value through profit or loss.

Trade and other payables

Trade and other payables are recognised initially at cost which represents the fair value of the consideration to be paid in the future, less transaction cost, for goods received or services rendered, whether or not billed to the Group and the Company, and are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

2.10 Intangible assets and goodwill

(a) Goodwill

Goodwill is recognised separately as intangible assets and is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Goodwill is allocated on initial recognition to each of the Group's cash-generating units expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.10 Intangible assets and goodwill (Continued)

(b) Intellectual property and unfinished contracts

Intellectual property and unfinished contracts are stated at cost less accumulated amortisation and any accumulated impairment losses. Intellectual property is amortised to profit or loss using the straight-line method over 10 years. Unfinished contracts are amortised to profit and loss over the contractual periods.

2.11 Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand, demand deposits and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.12 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers is based on fixed amounts. The Group's revenue is derived from the fixed price contracts and therefore, the amount of revenue earned for each contract is determined by reference to those fixed prices.

Advisory, consultancy and management services

Revenue is recognised when a performance obligation is satisfied. Revenue is measured progressively based on the work performed during the contract period. The Group bills the customer in accordance with the terms of the contract. Unbilled receivables represent the Group's unconditional rights to consideration for services performed but not yet billed as at reporting date. Deferred revenue is recognised when the Group has yet to satisfy its performance obligation under the contract but have received advanced payments from the customer.

Sale of goods

Revenue from sale of semi-processed gold concentrate ore, processed gold ore, granite and aggregate are recognised at a point in time when the Group satisfies a performance obligation by transferring control of a promised good to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligation. There is limited judgement needed to identify when the point of control passes to customers. There is no element of significant financing component in the Group's revenue transactions as customers are required to pay within a credit term of 30 to 90 days.

2.13 Employee benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as expenses in profit or loss in the same financial year as the employment that gives rise to the contributions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.13 Employee benefits (Continued)

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for estimated liability for unutilised annual leave as a result of services rendered by employees up to the end of the reporting period.

Equity-settled share-based payment

The Group operates VCPlus Limited' Share awards which allows it to issue equity-settled share-based payments to selected key management personnel and employees of the Group. For equity-settled share-based payment, the fair value of the services received is recognised as an employee expense, with a corresponding increase in equity, over the vesting period during which the executives become unconditionally entitled to the equity instrument. The fair value of the services is determined by reference to the fair value of the equity instrument granted at the grant date.

The cumulative expense recognised for equity-settled transactions at each reporting date reflects the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for the financial year represents the movement in cumulative expense recognised as at the beginning and end of that financial year.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of equity instrument, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

2.14 Leases

As lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term.

Initial measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.14 Leases (Continued)

As lessee (Continued)

Initial measurement (Continued)

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payables for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

The Group presents the right-of-use assets in “Property, plant and equipment” and lease liabilities separately from other liabilities in the consolidated statement of financial position.

Subsequent measurement

Right-of-use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset.

	Years
Buildings	4
Motor vehicles	5
Plant and machinery	10

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use asset may be impaired. The accounting policy on impairment is as described in Note 2.7 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.14 Leases (Continued)

As lessee (Continued)

Subsequent measurement (Continued)

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiation increases the scope of the lease (i.e. extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Group has elected to account for the entire contract as a lease. The Group does not allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.15 Taxes

Income tax expense comprise current tax expense and deferred tax expense.

Current income tax

Current income tax expense is the amount of income tax payable in respect of the taxable profit for a period. Current income tax liabilities for the current and prior periods shall be measured at the amount expected to be paid to the taxation authorities, using the tax rates and interpretation to applicable tax laws in the countries where the Group operates, that have been enacted or substantively enacted by the end of the reporting period. Management evaluates its income tax provisions on periodical basis.

Current income tax expenses are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases of asset and liabilities, except when the temporary difference arises from the initial recognition of goodwill or other assets and liabilities that is not a business combination and affects neither the accounting profit nor taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the timing of reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary difference can be utilised.

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

Deferred tax assets and liabilities are measured using the tax rates expected to apply for the period when the asset is realised or the liability is settled, based on tax rate and tax law that have been enacted or substantially enacted by the end of reporting period. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle its assets and liabilities.

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

Deferred tax is recognised in profit or loss, except when it relates to items recognised outside profit or loss, in which case the tax is also recognised either in other comprehensive income or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.15 Taxes (Continued)

Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales taxation that is incurred on purchase of assets or services is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.16 Foreign currency transactions and translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rates of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items, and on re-translation of monetary items are included in profit or loss for the financial year. Exchange differences arising on the re-translation of non-monetary items carried at fair value are included in profit or loss for the financial year except for differences arising on the re-translation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollar using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the financial year, unless exchange rates fluctuated significantly during that financial year, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, are recognised initially in other comprehensive income and accumulated in the Group's currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the currency translation reserve.

On disposal of a foreign operation, the accumulated currency translation reserve relating to that operation is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Chief Executive Officer who make strategic decisions.

2.18 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants related to asset are deducted against the carrying amount of the asset.

Government grants related to expenses are accounted for in the year where the related costs it intends to compensate is incurred and recognised in the profit or loss. Such government grants are presented under "Other income".

2.19 Provisions

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

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

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

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.20 Non-current assets (or disposal groups) held for sale and discontinued operations

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

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of the asset's previous carrying amount and fair value less costs to sell. The assets are not depreciated or amortised while classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (Continued)

2.20 Non-current assets (or disposal groups) held for sale and discontinued operations (Continued)

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

- (a) represents a separate major line of business or geographical area of operations;
- (b) is part of a single co-ordinated plan to dispose of a separate major line or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

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

3.1 Critical judgements made in applying the accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting policies and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year are discussed below.

- (i) Impairment of investments in subsidiaries

At the end of each financial year, an assessment is made on whether there are indications of impairment in the investments in subsidiaries. The management's assessment of indicators is based on the expected future cash flows for the subsidiaries. The Company's carrying amount of investments in subsidiaries as at 31 December 2022 is as disclosed in Note 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(ii) Impairment of goodwill and other intangible assets

Management performs impairment test on goodwill on an annual basis and whenever there is indication that they may be impaired. Other intangible assets are assessed for impairment when there is indication that they may be impaired. The process of evaluating the potential impairment of goodwill and other intangible assets requires significant judgement and estimates. Management estimates the recoverable amount based on the expected future cash flows from the cash generating units to which the goodwill and other intangible assets belong. The carrying values of the cash generating units are then compared against the recoverable amounts. Any excess of the carrying values over the discounted future cash flows are recognised as impairment loss in profit or loss. The carrying amounts of goodwill and other intangible assets of the Group as at 31 December 2022 are disclosed in Note 7 to the financial statements.

4. Going concern

The Group incurred a net loss of approximately S\$3,142,000 and had negative cash flows from operating activities of approximately S\$1,409,000 for the financial year ended 31 December 2022.

The Directors are of the opinion that the going concern basis is appropriate in the preparation of the financial statements, as the Group and Company are in the net assets position and management has prepared a cash flow forecast which shows that the Group and Company will have adequate funds for its operational requirements and to meet their debt obligations as and when they fall due for at least 12 months from the end of the financial year, having taken account of the funds available and cash flows to be generated from the operations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

5. Property, plant and equipment

Group	Buildings	Furniture and fittings	Office equipment	Motor vehicles	Renovation	Plant and machinery	Total
2022	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cost							
Balance at 1 January 2022	601	2	47	130	7	817	1,604
Additions	-	-	50	-	97	-	147
Disposal of subsidiaries (Note 26)	(195)	(2)	(16)	(130)	(7)	(817)	(1,167)
Exchange differences	(13)	-	2	-	-	-	(11)
Balance at 31 December 2022	393	-	83	-	97	-	573
Accumulated depreciation and impairment losses							
Balance at 1 January 2022	65	1	27	102	5	417	617
Depreciation for the financial year (Note 20)	134	-	30	6	30	27	227
Disposal of subsidiaries (Note 26)	(42)	(1)	(16)	(108)	(5)	(445)	(617)
Exchange differences	(11)	-	3	-	(1)	1	(8)
Balance at 31 December 2022	146	-	44	-	29	-	219
Carrying amount							
Balance at 31 December 2022	247	-	39	-	68	-	354

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

5. Property, plant and equipment (Continued)

Group 2021	Buildings S\$'000 (Restated)	Furniture and fittings S\$'000 (Restated)	Office equipment S\$'000 (Restated)	Motor vehicles S\$'000 (Restated)	Renovation S\$'000 (Restated)	Plant and machinery S\$'000 (Restated)	Road and infrastructure S\$'000 (Restated)	Electrical installation works S\$'000 (Restated)	Tools and equipment S\$'000 (Restated)	Total S\$'000 (Restated)
Cost										
Balance at 1 January 2021	344	18	15	131	29	1,116	7	18	7	1,685
Additions	396	-	22	-	-	-	-	-	-	418
Acquisition of subsidiaries (Note 8)	10	-	10	-	-	-	-	-	-	20
Written off (Note 24)	(146)	(15)	-	-	(21)	-	(6)	(17)	(7)	(212)
Disposal	-	-	-	-	-	(295)	-	-	-	(295)
Exchange differences	(3)	(1)	-	(1)	(1)	(4)	(1)	(1)	-	(12)
Balance at 31 December 2021	601	2	47	130	7	817	-	-	-	1,604
Accumulated depreciation and impairment losses										
Balance at 1 January 2021	41	15	14	77	21	437	1	9	5	620
Depreciation for the financial year (Note 20)	46	1	13	23	4	91	-	3	1	182
Written off (Note 24)	(25)	(15)	-	-	(21)	-	(1)	(12)	(6)	(80)
Disposal	-	-	-	-	-	(115)	-	-	-	(115)
Exchange differences	3	-	-	2	1	4	-	-	-	10
Balance at 31 December 2021	65	1	27	102	5	417	-	-	-	617
Carrying amount										
Balance at 31 December 2021	536	1	20	28	2	400	-	-	-	987

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

5. Property, plant and equipment (Continued)

	Buildings S\$'000	Office equipment S\$'000	Renovation S\$'000	Total S\$'000
Company				
Cost				
Balance at 1 January 2022	396	21	–	417
Additions	–	43	97	140
Balance at 31 December 2022	396	64	97	557
Accumulated depreciation				
Balance at 1 January 2022	22	10	–	32
Depreciation charged	127	24	29	180
Balance at 31 December 2022	149	34	29	212
Carrying amount				
Balance at 31 December 2022	247	30	68	345

	Buildings S\$'000 (Restated)	Office equipment S\$'000 (Restated)	Renovation S\$'000 (Restated)	Total S\$'000 (Restated)
Company				
Cost				
Balance at 1 January 2021	–	–	–	–
Additions	396	21	–	417
Balance at 31 December 2021	396	21	–	417
Accumulated depreciation				
Balance at 1 January 2021	–	–	–	–
Depreciation charged	22	10	–	32
Balance at 31 December 2021	22	10	–	32
Carrying amount				
Balance at 31 December 2021	374	11	–	385

Right-of-use of assets under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed below and disclosures relating to lease arrangements are included under Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

5. Property, plant and equipment (Continued)

Right-of-use assets classified within property, plant and equipment

	Buildings S\$'000	Motor vehicles S\$'000	Plant and machinery S\$'000	Total S\$'000
Group				
Cost				
Balance at 1 January 2022	452	127	–	579
Disposal of subsidiaries (Note 26)	(50)	(127)	–	(177)
Exchange differences	(9)	–	–	(9)
Balance at 31 December 2022	393	–	–	393
Accumulated depreciation				
Balance at 1 January 2022	63	100	–	163
Depreciation charged	134	–	–	134
Disposal of subsidiaries (Note 26)	(42)	(100)	–	(142)
Exchange differences	(9)	–	–	(9)
Balance at 31 December 2022	146	–	–	146
Carrying amount				
Balance at 31 December 2022	247	–	–	247

	Buildings S\$'000 (Restated)	Motor vehicles S\$'000 (Restated)	Plant and machinery S\$'000 (Restated)	Total S\$'000 (Restated)
Cost				
Balance at 1 January 2021	48	127	312	487
Additions	396	–	–	396
Acquisition of subsidiaries (Note 8)	10	–	–	10
Reclassification*	–	–	(312)	(312)
Exchange differences	(2)	–	–	(2)
Balance at 31 December 2021	452	127	–	579
Accumulated depreciation				
Balance at 1 January 2021	25	77	95	197
Depreciation charged	38	23	4	65
Reclassification*	–	–	(99)	(99)
Balance at 31 December 2021	63	100	–	163
Carrying amount				
Balance at 31 December 2021	389	27	–	416

* Reclassification relates to right-of-use assets being transferred to property, plant and equipment owned by the Group due to full settlement of the related lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

5. Property, plant and equipment (Continued)

Right-of-use assets classified within property, plant and equipment (Continued)

	31.12.22 Buildings S\$'000	31.12.21 Buildings S\$'000 (Restated)
Company		
Cost		
Balance at beginning of financial year	396	–
Additions	–	396
Balance at end of financial year	396	396
Accumulated depreciation		
Balance at beginning of financial year	22	–
Depreciation for the financial year	127	22
Balance at end of financial year	149	22
Carrying amount		
Balance at end of financial year	247	374

The Group leases a number of buildings (i.e. office premises), motor vehicles and plant and machinery with fixed payments over the lease terms.

For the purpose of consolidated statement of cash flows, the Group's additions to property, plant and equipment were financed as follows:

	Group 31.12.22 S\$'000	31.12.21 S\$'000 (Restated)
Additions to property, plant and equipment	147	418
Acquired under lease arrangements (Note 15)	–	(396)
Cash payments for acquisition of property, plant and equipment	147	22

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

6. Mine properties

	Group	
	31.12.22 S\$'000	31.12.21 S\$'000 (Restated)
Cost		
Balance at beginning of financial year	63	621
Written off (Note 8)	–	(554)
Disposal of subsidiaries (Note 26)	(63)	–
Exchange differences	–	(4)
Balance at end of financial year	–	63
Accumulated amortisation		
Balance at beginning of financial year	25	203
Amortisation for financial year (Note 20)	1	43
Written off (Note 8)	–	(224)
Disposal of subsidiaries (Note 26)	(26)	–
Exchange differences	–	3
Balance at end of financial year	–	25
Carrying amount		
Balance at end of financial year	–	38

7. Intangible assets

	Group			
	Goodwill S\$'000	Intellectual property S\$'000	Unfinished contracts S\$'000	Total S\$'000
2022				
Cost				
At 1 January 2022	3,347	315	112	3,774
Accumulated amortisation and impairment				
At 1 January 2022	–	4	2	6
Amortisation charged (Note 20)	–	32	48	80
Impairment loss	1,220	–	62	1,282
At 31 December 2022	1,220	36	112	1,368
Carrying amount				
At 31 December 2022	2,127	279	–	2,406

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

7. Intangible assets (Continued)

	Group			
	Goodwill S\$'000	Intellectual property S\$'000	Unfinished contracts S\$'000	Total S\$'000
2021				
Cost				
At 1 January 2021	-	-	-	-
Acquisition of subsidiaries (Note 8)	3,347	315	112	3,774
At 31 December 2021	3,347	315	112	3,774
Accumulated amortisation and impairment				
At 1 January 2021	-	-	-	-
Amortisation charged (Note 20)	-	4	2	6
At 31 December 2021	-	4	2	6
Carrying amount				
At 31 December 2021	3,347	311	110	3,768

The remaining useful life of the intellectual property is 9 years (2021: 10 years) and unfinished contracts is Nil (2021: 1 to 2 years) as at end of the financial year.

Goodwill and impairment

Goodwill arose from the acquisition of APEC Solutions Pte. Ltd. ("APEC Solutions") in the prior year.

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 cash generating unit ("CGU") are determined from value in use calculations based on discounted cash flow forecasts prepared by management.

Key assumptions used in the cash flow projections are discount rate, revenue and terminal growth rates as follow:

	31.12.22	31.12.21
Discount rate	30.5%	34.9%
Revenue growth rate	16.9%	16.5%
Terminal growth rate	1.5%	1.5%

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 and terminal 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 budgeted cash flows to terminal year.

During the financial year, an impairment loss of S\$1,220,000 was recognised for goodwill as the recoverable amount of the CGU was determined to be lower than its carrying amount based on the current performance of APEC Solutions amidst weakened industry outlook.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8. Investments in subsidiaries

	Company	
	31.12.22	31.12.21
	S\$'000	S\$'000
		(Restated)
Unquoted equity investments, at cost	51,028	45,359
Acquisition of a subsidiary	–	4,310
Additional investment in a subsidiary	–	649
Incorporation of subsidiary	–	900
Disposal of subsidiaries (Note 26)	(45,720)	–
Liquidation of a subsidiaries	(98)	(10)
Exchange differences	–	(180)
Less: Accumulated impairment losses	(1,500)	(45,216)
	<u>3,710</u>	<u>5,812</u>
Accumulated impairment losses		
Balance at beginning of financial year	45,216	22,327
Impairment loss for financial year	1,500	22,752
Write off of impairment loss due to disposal of a subsidiaries	(45,216)	–
Write off of impairment loss on liquidation of a subsidiary	–	(10)
Exchange differences	–	147
Balance at end of financial year	<u>1,500</u>	<u>45,216</u>

During the financial year ended 31 December 2022, the Company recorded an impairment loss on cost of investment in APEC Solutions of S\$1,500,000, as the recoverable amount of the cash generating unit was determined to be lower than its carrying amounts. The recoverable amount of the investment of S\$2,810,000 has been determined on the basis of its value in use. The discount rate used in measuring value in use was 30.5%. The discount rate used when the recoverable amount of the investment was estimated in previous year, was 34.9% and S\$4,310,000 respectively.

The recoverable amounts of the cash generating unit (“CGU”) are determined from value in use calculations based on cash flow forecasts based on discounted cash flow forecasts prepared by management.

During the previous financial year, GGTM Sdn. Bhd. (“GGTM”) entered into negotiations with relevant authorities to reduce concession-related expenses and operating costs of the granite mining business in view of the current economic conditions in Malaysia and continuing uncertainty surrounding the COVID-19 pandemic. On 14 March 2022, GGTM entered into a supplemental agreement with the relevant authorities to amend certain provisions of the concession agreement to reduce the concession-related expenses and mining concession area which resulted in GGTM returning the mining concession rights of the Bukit Chetai granite quarry site to the relevant authorities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8. Investments in subsidiaries (Continued)

In connection with the reduction of mining concession area, the Group wrote off approximately S\$331,000 of related mine properties (Note 6), S\$132,000 of property, plant and equipment (Note 5) and S\$60,000 of inventories (Note 9). In addition, management also recognised impairment loss on the cost of investment in GGTM of approximately S\$22,752,000 in the Company's profit or loss.

The recoverable amount of investment in GGTM (granite business) of approximately S\$504,000 was determined based on the subsidiary's net tangible assets which approximates fair value less costs of disposal at level 3 of the fair value hierarchy.

The particulars of the significant subsidiaries are as follows:

Name of company (Country of incorporation and principal place of business)	Proportion of ownership interest held		Principal activities
	31.12.22 %	31.12.21 %	
GGTM Sdn. Bhd. ⁽¹⁾ (Malaysia)	–	100	Exploration, mining and production of dimension stone granites for sales as well as architectural stone and interior fit-out
APEC Solutions Pte Ltd ⁽²⁾ (Singapore)	100	100	Provision of IT consultancy, services and solutions and other investments
Custody Pte Ltd ⁽²⁾ (Singapore)	55	55	Provision of custodian services for digital assets

⁽¹⁾ Audited by BDO PLT, Malaysia, a member firm of BDO International Limited for 31 December 2021. GGTM Sdn. Bhd. was disposed in May 2022.

⁽²⁾ Audited by BDO LLP, Singapore.

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

On 15 October 2021, the Company acquired 100% equity interest in APEC Solutions Group for a consideration of S\$4,310,000 as part of the Group's diversification into the FinTech business. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8. Investments in subsidiaries (Continued)

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

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

	Fair value recognised on date of acquisition S\$'000
Property, plant and equipment	20
Trade and other receivables	190
Intangible assets	427
Prepayment	1
Cash and cash equivalents	508
	<u>1,146</u>
Trade and other payables	55
Lease liabilities	10
Deferred revenue	47
Deferred tax liabilities	71
	<u>183</u>
Net identifiable assets at fair value	<u>963</u>
Total consideration transferred	4,310
Goodwill (Note 7)	<u>3,347</u>

In the previous financial year, from the date of acquisition, APEC Solutions Group has contributed approximately S\$197,000 and S\$17,000 to the revenue and loss net of tax of the Group respectively. If the combination had taken place at the beginning of the previous financial year, the Group's revenue and loss, net of tax would have been S\$600,000 and S\$2,571,000 respectively.

Goodwill of S\$3,347,000 arising from the acquisition is attributable to the FinTech segment in Singapore and the expected synergies from combining the FinTech operations of the Group with those of APEC Solutions group.

None of the goodwill is expected to be deductible for tax purposes.

Transaction costs related to the acquisition of approximately S\$60,000 have been recognised in the "Other expenses" line item in the Group's profit or loss for the year ended 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

8. Investments in subsidiaries (Continued)

Effects on cash flows of the Group

	S\$'000
Consideration for acquisition of 100% equity interest	4,310
- Non-cash consideration ⁽¹⁾	(4,310)
Consideration settled in cash	-
Add: Cash and cash equivalent of subsidiaries acquired	508
Net cash inflow on acquisition	508

The non-cash consideration for the acquisition consists of the issuance of 172,413,793 new ordinary shares of the Company of SGD0.025 per share, representing the market share price at the date of acquisition on 15 October 2021.

Incorporation of new subsidiary

On 15 September 2021, the Company incorporated Custody Plus Pte. Ltd. and subscribed for a 55% equity interest for a consideration of S\$900,001 in accordance to the shareholders' agreement. The excess of the consideration of S\$281,000 paid over the carrying amount of this subsidiary was recognised in equity.

Non-controlling interest

Summarised financial information in relation to the subsidiary that has non-controlling interest ("NCI") that is material to the Group, before intra-group eliminations and together with amounts attributed to NCI, is presented below:

	Custody Plus Pte. Ltd. 2022 S\$'000	2021 S\$'000 (Restated)
Revenue	-	-
Loss for the financial year	(429)	(128)
Total comprehensive income allocated to NCI	(193)	(57)
Assets:		
Plant and equipment	4	-
Other receivables	1,357	872
Liability:		
Other payables	918	-
Accumulated non-controlling interests	199	392

The cash flow information of the subsidiary has not been presented as the subsidiary is in the process of setting up its bank account as at 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

9. Inventories

	Group	
	31.12.22	31.12.21
	S\$'000	S\$'000
		(Restated)
Raw materials	–	9
Consumables	–	40
	<u>–</u>	<u>49</u>

During the previous financial year, the Group carried out a review of realisable values of its inventories and wrote down inventories of approximately S\$60,000 and included in profit or loss for the previous financial year.

10. Trade and other receivables

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Trade receivables – third parties	253	471	29	–
Less: Loss allowance	(21)	(213)	–	–
Sub-total	<u>232</u>	<u>258</u>	<u>29</u>	<u>–</u>
Other receivables				
- related party	–	118	1,216	–
Unbilled receivables	–	64	–	–
Deposits	47	102	37	49
	<u>47</u>	<u>284</u>	<u>1,253</u>	<u>49</u>
	<u>279</u>	<u>542</u>	<u>1,282</u>	<u>49</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

10. Trade and other receivables (Continued)

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

	Less than 30 days past due S\$'000	More than 30 days past due S\$'000	More than 60 days past due S\$'000	More than 120 days past due S\$'000	Total S\$'000
31 December 2022					
Expected loss rate	4%	2%	13%	8%	
Gross carrying amount					
- Trade receivables	26	49	112	66	253
Loss allowance	(1)	(1)	(14)	(5)	(21)
2021					
Expected loss rate	0%	0%	0%	68%	
Gross carrying amount					
- Trade receivables	19	70	68	314	471
Loss allowance	-	-	-	(213)	(213)

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

	Group	
	2022 S\$'000	2021 S\$'000 (Restated)
Balance at beginning of financial year	213	374
Provision/(Write back) of loss allowance	21	(161)
Disposal of subsidiaries	(213)	-
Balance at end of financial year	21	213

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

10. Trade and other receivables (Continued)

The currency profiles of trade and other receivables as at the end of the reporting period are as follows:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Ringgit Malaysia	–	156	–	–
Singapore dollar	279	386	1,282	49
	279	542	1,282	49

11. Cash and cash equivalents

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Bank balances	2,217	2,012	1,864	1,213

The currency profiles of cash and cash equivalents as at the end of the reporting period are as follows:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Ringgit Malaysia	–	427	–	–
Singapore dollar	2,217	1,585	1,864	1,213
	2,217	2,012	1,864	1,213

12. Share capital

	Group and Company			
	31.12.22	31.12.21	31.12.22	31.12.21
	Number of ordinary shares		S\$'000	
Issued and fully-paid:				
At beginning of financial year	4,550,082,101	1,663,993,116	96,713	85,548
Issuance of new shares	170,000,000	2,886,088,985	1,673	11,165
At end of financial year	4,720,082,101	4,550,082,101	98,386	96,713

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 financial year, 170,000,000 new ordinary shares amounting to approximately S\$1.673 million were issued pursuant to a placement exercise completed on 19 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

13. Other reserves

	Group 31.12.22 S\$'000	31.12.21 S\$'000 (Restated)
Merger reserve ⁽¹⁾	–	(38,966)
Other reserves ⁽²⁾	(281)	(281)
Share award reserves ⁽³⁾	94	–
Total	(187)	(39,247)

⁽¹⁾ Merger reserve represents the differences between the consideration paid and the issued share capital of subsidiaries acquired under common control that are accounted for by applying the “pooling-of-interest” method. The related merger reserves has been transferred to accumulated losses upon disposal of subsidiaries (Note 26).

⁽²⁾ Other reserve represents the excess of consideration paid over the Group’s equity interest in a subsidiary (Note 8).

⁽³⁾ Share award reserves arises on the grant of ordinary shares to the Company’s Key Management Personnel under the Performance Share Plan as below.

Anchor Resources Employee Performance Share Plan (“Performance Share Plan” or “PSP”)

Pursuant to the PSP, on 21 September 2022, the Company awarded 26,250,000 new ordinary shares to the Company’s Chief Executive Officer, Chong Heng Loong who is also a director of a subsidiary of the Group, to be vested in three equal tranches of 8,750,000 Shares per tranche on 30 December 2022, 30 December 2023 and 30 December 2024 respectively, subject to conditions being met. The first tranche of 8,750,000 ordinary shares vested on 30 December 2022 and were issued subsequent to the end of financial year on 3 January 2023.

Movement in the number of performance shares outstanding are as follows:

	Group and Company 2022 Number of shares
Beginning of the financial year	–
Granted	26,250,000
Vested	(8,750,000)
End of the financial year	17,500,000

The fair value of the share award was approximately S\$94,000 based on the market share price as at the date of grant and recognised in profit and loss during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

14. Currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the prior year financial statements to the Company's and the Group's presentation currency for comparative purposes. The Company changed its functional and presentation currency as disclosed in Note 2.1 of the financial statements.

15. Lease liabilities

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
At 1 January	457	249	399	-
Additions (Note 5)	-	396	-	396
Acquisition of subsidiaries (Note 8)	-	10	-	-
Interest expenses	18	15	17	5
Lease payments				
- Principal portion	(144)	(98)	(127)	-
- Interest portion	(18)	(15)	(17)	-
Termination of lease	-	(98)	-	-
Disposal of subsidiaries (Note 26)	(41)	-	-	-
Exchange difference	-	(2)	-	(2)
At 31 December	272	457	272	399

The maturity analysis of lease liabilities of the Group at each reporting date are as follows:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Minimum lease payments due				
- Not later than one financial year	144	179	144	144
- Between one financial year and five financial years	144	314	144	288
	288	493	288	432
Less: Future interest expense	(16)	(36)	(16)	(33)
Present value of lease liabilities	272	457	272	399
Presented in consolidated statement of financial position:				
- Non-current	139	298	139	273
- Current	133	159	133	126
	272	457	272	399

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

15. Lease liabilities (Continued)

The lease term is 3 years (2021: range from 1 to 5 years) for the financial year ended 31 December 2022. The effective interest rates for the lease liabilities is 5.3% (2021: 2.78% to 5.3%) per annum for the financial year ended 31 December 2022.

Interest rates are fixed at the contract date and thus do not expose the Group to cash flow interest rate risk. All finance lease is on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Certain leases of the Group are secured over the right-of-use assets. In the prior financial year, the right-of-use assets with a carrying amount of S\$28,000 are secured over the lease liabilities of S\$47,000 (Note 5). There are no right-of-use assets secured over lease liabilities in the current financial year.

The total cash outflow at Group level from continuing operations in respect of leases including short term lease amounted S\$173,000 (2021: S\$144,000).

The currency profile of lease liabilities as at the end of the reporting period are as followed:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Ringgit Malaysia	–	58	–	–
Singapore dollar	272	399	272	399
	272	457	272	399

16. Deferred tax liabilities

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Balance as at the beginning of the financial year	71	–	–	–
Arising from acquisition of a subsidiary (Note 8)	–	72	–	–
Credited to profit or loss	–	(1)	–	–
Balances as at the end of financial year	71	71	–	–

Deferred tax liabilities arise as a result of temporary differences between the tax written down values and carrying amounts of the assets computed at domestic income tax rate of 17% (2021: 17%).

	Intangible assets S\$'000
Group	
Balance as at 31 December 2022 and 31 December 2021	71

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

17. Trade and other payables

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Trade payables				
- third parties	2	51	-	-
Non-trade payables				
- third parties	659	266	641	29
- subsidiaries	-	-	608	542
Amount owing to director	-	242	-	-
Accrued expenses	148	477	106	359
Deferred revenue	55	64	-	-
	864	1,100	1,355	930

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 days' (2021: 30 to 60 days') terms.

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

The currency profiles of trade and other payables as at the end of the reporting period are as follows:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Ringgit Malaysia	-	144	-	97
Singapore dollar	864	956	1,355	833
	864	1,100	1,355	930

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

18. Revenue

The Group's business was not affected significantly by seasonal or cyclical factors during the financial year.

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.

	Group					
	Continuing operations		Discontinued operations		Total	
	2022	2021	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)		(Restated)	
Primary geographical markets						
Singapore	828	197	–	–	828	197
South East Asia	–	–	38	7	38	7
	828	197	38	7	866	204
Timing of transfer of goods and services						
Over time	680	197	–	–	680	197
Point in time	148	–	38	7	186	7
	828	197	38	7	866	204
Type of goods or services						
Advisory, consultancy and management services	828	197	–	–	828	197
Sale of goods	–	–	38	7	38	7
	828	197	38	7	866	204

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

19. Other income

	Group					
	Continuing operations		Discontinued operations		Total	
	2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000
	(Restated)		(Restated)		(Restated)	
Write-back of allowance for trade receivables	-	-	-	161	-	161
Management fee	144	-	-	48	144	48
Gain on disposal of subsidiaries(Note 26)	13	-	-	-	13	-
Gain on settlement of claims and disputes	-	-	-	542	-	542
Government grant	159	67	-	-	159	67
Foreign exchange gain	24	-	-	-	24	-
Others	24	-	-	84	24	84
	364	67	-	835	364	902

The Company's previously wholly-owned subsidiary, 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.

In the previous financial year, GGTM, entered into a settlement agreement with EGI for the settlement of all claims and disputes and recognised a gain on settlement of approximately RM1,674,000 (equivalent to S\$542,000) and a reversal of provision of approximately RM496,000 (equivalent to S\$161,000) made previously for related receivables.

20. Depreciation and amortisation expenses

	Group					
	Continuing operations		Discontinued operations		Total	
	2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000
	(Restated)		(Restated)		(Restated)	
Depreciation of property, plant and equipment (Note 5)	189	37	38	145	227	182
Amortisation of mine properties (Note 6)	-	-	1	43	1	43
Amortisation of intangible assets (Note 7)	80	6	-	-	80	6
	269	43	39	188	308	231

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

21. Employee benefits expense

	Continuing operations		Group Discontinued operations		Total	
	2022	2021	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)		(Restated)	
Salaries, wages, bonuses and other benefits	1,337	1,036	40	138	1,377	1,174
Contributions to defined contribution plans	94	114	3	12	97	126
Share awards expenses	94	–	–	–	94	–
	1,525	1,150	43	150	1,568	1,300

Included in employee benefits expense are the remuneration of Directors and key management personnel of the Group as set out in Note 28 to the financial statements.

22. Lease expenses

	Continuing operations		Group Discontinued operations		Total	
	2022	2021	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)		(Restated)	
Lease expenses						
- short term leases	11	31	2	10	13	41

23. Finance costs

	Continuing operations		Group Discontinued operations		Total	
	2022	2021	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)		(Restated)	
Interest expense						
- lease liabilities	17	4	1	11	18	15
- unsecured term loan	–	42	–	–	–	42
	17	46	1	11	18	57

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

24. Loss before income tax

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

	Continuing operations		Group Discontinued operations		Total	
	2022	2021	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)		(Restated)	
<i>Other expenses</i>						
Audit fees paid/payable to:						
- auditors of the Company	111	101	-	-	111	101
- other auditors	1	1	1	6	2	7
Non-audit fees paid/payable to:						
- audit related services to auditor of company	14	10	-	-	14	10
- non-audit related services	4	4	-	-	4	4
- other auditors	-	3	-	-	-	3
Foreign exchange loss, net	-	67	-	1	-	68
Depreciation and amortisation	269	43	39	188	308	231
Impairment loss on goodwill	1,220	-	-	-	1,220	-
Impairment loss on intangible assets	62	-	-	-	62	-
Loss allowance for trade receivables	21	-	-	-	21	-
Professional fees	235	540	15	20	250	560
Inventories written off	-	-	-	60	-	60
Plant & equipment written off	-	-	-	132	-	132
Mines properties written off	-	-	-	331	-	331
Loss on disposal of property, plant & equipment	-	-	-	68	-	68
Repair and maintenance	4	-	9	34	13	34
Travelling and accommodation	8	-	1	2	9	2
Security charges	-	-	-	10	-	10
Share award expenses	94	-	-	-	94	-
Utilities	8	1	-	2	8	3

NOTES TO THE FINANCIAL STATEMENTS

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25. Income tax

	Continuing operations		Group Discontinued operations		Total	
	2022 S\$'000	2021 S\$'000 (Restated)	2022 S\$'000	2021 S\$'000 (Restated)	2022 S\$'000	2021 S\$'000 (Restated)
Current income tax	-	-	-	-	-	-
- Underprovision in prior financial years	(6)	-	-	-	(6)	-
Deferred tax						
- Current financial year	-	1	-	-	-	1
	(6)	1	-	-	(6)	1

The domestic income tax rate in Singapore is 17% (2021: 17%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The income tax expense varied from the amount of income tax expense determined by applying the applicable income tax rate of 17% (2021: 17%) to loss before income tax as a result of the following differences:

	Group	
	2022 S\$'000	2021 S\$'000 (Restated)
Loss before income tax from continuing operations	(2,936)	(2,141)
Loss before income tax from discontinued operations	(200)	(334)
	(3,136)	(2,475)
Income tax calculated at Singapore's statutory income tax rate of 17% (2021: 17%)	(533)	(420)
Effect of different tax rate in other countries	(13)	(24)
Effect of income not subject to tax	(44)	(10)
Tax effect of non-deductible expenses for income tax purposes	142	465
Utilisation of previously unrecognised tax losses	-	(10)
Underprovision of current tax expense in prior financial years	(6)	-
Deferred tax assets not recognised	448	-
	(6)	1

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

25. Income tax (Continued)

Unrecognised deferred tax assets

	Group	
	2022	2021
	S\$'000	S\$'000
	(Restated)	
Balance at beginning of financial year	(250)	(260)
Utilisation of previously unrecognised tax losses	–	10
Amount not recognised during the financial year	(448)	–
Balance at end of financial year	(698)	(250)

Unrecognised deferred tax assets are attributable to the following:

	Group	
	2022	2021
	S\$'000	S\$'000
	(Restated)	
Excess of tax written value over net book value	(16)	(7)
Provision	(255)	–
Unutilised tax losses	(427)	(243)
	(698)	(250)

As at 31 December 2022, the Group has unutilised tax losses of approximately S\$427,000 (2021: S\$243,000) available for offset against future taxable profits and subject to the agreement by the tax authorities and provisions of the tax legislations of Singapore.

These deferred tax assets have not been recognised as it is not certain whether future taxable profits will be available against which the Group can utilise these benefits. Accordingly, these deferred tax assets have not been recognised in the financial statements in accordance with the accounting policy in Note 2.15 to the financial statements.

26. Discontinued operations

On 14 March 2022, the Company announced the proposed disposal of its wholly owned subsidiary GGTM Sdn. Bhd and its subsidiary, to the Company's executive director Mr. Lim Chiau Woei. More information is available in the circular in connection to the disposal dated on 14 April 2022.

An extraordinary general meeting was held on 29 April 2022 pursuant to which approval for this disposal was obtained from independent shareholders. On 19 May 2022, the Company completed the disposal of GGTM and exited the Granite Business.

In accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations, the results from GGTM which were of the Granite Business was presented separately on the consolidated statement of comprehensive income as discontinued operations. Comparative figures have been restated to reflect the discontinued operations in the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

26. Discontinued operations (Continued)

The results of the discontinued operations were as follow:

	2022 S\$'000	2021 S\$'000 (Restated)
Revenue	38	7
Other income	–	835
Raw materials and consumables used	(9)	(3)
Changes in inventories	–	(60)
Contractors expenses	–	(20)
Royalty fees	–	(35)
Depreciation and amortisation expenses	(39)	(188)
Employee benefits expenses	(43)	(150)
Lease expenses	(2)	(10)
Other expenses	(144)	(699)
Finance costs	(1)	(11)
Loss before income tax from discontinued operations	(200)	(334)
Income tax expense	–	–
Loss from discontinued operations, net of tax	(200)	(334)

The impact of the discontinued operations on the cash flows of the Group was as follows:

	2022 S\$'000	2021 S\$'000 (Restated)
Operating cash (outflows)/inflows	(93)	66
Investing cash outflows	–	13
Financing cash outflows	(18)	(104)
Total cash outflows	(111)	(18)

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For the financial year ended 31 December 2022

26. Discontinued operations (Continued)

Disposal of net identifiable assets of GGTM:

	Group 2022 S\$'000
Property, plant and equipment	550
Trade and other receivables	220
Mine properties	37
Inventories	39
Cash and cash equivalents	317
	<u>1,163</u>
Trade and other payables	(597)
Lease liabilities	(41)
	<u>(638)</u>
Net identifiable assets	525
Gain on disposal	13
Cost of disposal	94
Sale consideration	632
Currency translation reserve	7
Cash balance from discontinued operations	(317)
Net proceeds from disposal of subsidiaries	<u>322</u>

Upon completion of the disposal of GGTM, the associated merger reserves of S\$38.97 million was transferred to accumulated losses.

27. Loss per share

The calculation for loss per share is based on:

	2022 Continuing operations S\$'000	2022 Discontinued operations S\$'000	2022 Total S\$'000	2021 Continuing operations S\$'000 (Restated)	2021 Discontinued operations S\$'000	2021 Total S\$'000 (Restated)
<i>Numerator</i>						
Loss attributable to owners of the parent	(2,749)	(200)	(2,949)	(2,083)	(334)	(2,417)
<i>Denominator</i>						
Weighted average number of ordinary shares in issue during the financial year	4,556,136,896	4,556,136,896	4,556,136,896	4,078,501,821	4,078,501,821	4,078,501,821
Basic/diluted loss per share (S\$ cents)	(0.0603)	(0.0044)	(0.0647)	(0.0511)	(0.0082)	(0.0593)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

27. Loss per share (Continued)

The calculations of basic loss per share for the relevant periods are based on loss attributable to owners of the Company for the financial years ended 31 December 2022 and 31 December 2021 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.

28. Significant related party transactions

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, the following were significant related party transactions at rates and terms agreed between the Group and the Company with their related parties during the financial year:

	Group		Company	
	2022 S\$'000	2021 S\$'000 (Restated)	2022 S\$'000	2021 S\$'000 (Restated)
With a Director of the Company				
Payments of lease liabilities	-	14	-	14
Disposal of GGTM - consideration	632	-	-	-
With related parties				
Management fees charged to	-	48	-	-
	632	62	-	14

On 19 May 2022, the Company completed the disposal of GGTM to the Company's former executive director Mr. Lim Chiau Woei, who resigned as a director of the Company on 31 August 2022. This disposal was approved by independent shareholders in the extraordinary general meeting held on 29 April 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

28. Significant related party transactions (Continued)

Compensation of key management personnel

Key management personnel are directors of the Company and subsidiaries and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly, or indirectly.

The remuneration of Directors and other members of the key management personnel of the Group and the Company during the financial year was as follows:

	Group		Company	
	2022 S\$'000	2021 S\$'000	2022 S\$'000	2021 S\$'000
	(Restated)		(Restated)	
Directors of the Company				
- short-term employee benefits	330	317	264	317
- post-employment benefits	21	6	10	6
- directors' fees	123	133	105	105
	<u>474</u>	<u>456</u>	<u>379</u>	<u>428</u>
Directors of the subsidiaries				
- short-term employee benefits	66	41	-	-
- post-employment benefits	11	7	-	-
- director's fees	18	23	-	-
	<u>95</u>	<u>71</u>	<u>-</u>	<u>-</u>

	Group	
	2022 S\$'000	2021 S\$'000
	(Restated)	
Key management personnel		
- short-term employee benefits	234	176
- post-employment benefits	12	9
- share award expenses	94	-
	<u>340</u>	<u>185</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. 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) 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;
- (ii) Granite business – exploration, mining, quarry extraction, processing and sales of granite products and dimension stone granites as well as architectural stone and interior fit-out. On 19 May 2022, the Company completed the disposal of its wholly owned subsidiary GGTM and the Group exited from the Granite Business (Note 26); and
- (iii) Corporate & others – investment holding company as well as business and management consulting services.

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 financial year ended 31 December 2022 and 2021, the Group's Granite Business operated in Malaysia while the FinTech Business operated in Singapore. On 19 May 2022, the Company completed the disposal of its wholly owned subsidiary GGTM and the Group exited from the Granite Business. Following the disposal of GGTM, the Group does not have any material assets in Malaysia.

Major customers

During the financial year ended 31 December 2022, the revenue from a group of three customers (2021: five customers) in the FinTech segment business amounting to approximately S\$335,000 (2021: S\$140,000) representing approximately 40% (2021: 76%) of the Group's total revenue

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

29. Segment information (Continued)

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

	FinTech 2022 S\$'000	Granite Business 2022 S\$'000	Corporate & others 2022 S\$'000	Total 2022 S\$'000	FinTech 2021 S\$'000	Granite Business 2021 S\$'000	Corporate & others 2021 S\$'000	Total 2021 S\$'000
					(Restated)	(Restated)	(Restated)	(Restated)
Revenue								
Continuing operations	828	-	-	828	197	-	-	197
Discontinued operations	-	38	-	38	-	7	-	7
	828	38	-	866	197	7	-	204
Results								
Operating loss	(1,777)	-	(1,142)	(2,919)	(149)	-	(1,946)	(2,095)
Interest expenses	-	-	(17)	(17)	-	-	(46)	(46)
Loss before income tax	(1,777)	-	(1,159)	(2,936)	(149)	-	(1,992)	(2,141)
Income tax	(6)	-	-	(6)	1	-	-	1
Loss after income tax from continuing operations	(1,783)	-	(1,159)	(2,942)	(148)	-	(1,992)	(2,140)
Loss from discontinued operations, net of tax (Note 26)	-	(200)	-	(200)	-	(334)	-	(334)
Loss for the financial year	(1,783)	(200)	(1,159)	(3,142)	(148)	(334)	(1,992)	(2,474)
	FinTech 31.12.22 S\$'000	Granite Business 31.12.22 S\$'000	Corporate & others 31.12.22 S\$'000	Total 31.12.22 S\$'000	FinTech 31.12.21 S\$'000	Granite Business 31.12.21 S\$'000	Corporate & others 31.12.21 S\$'000	Total 31.12.21 S\$'000
					(Restated)	(Restated)	(Restated)	(Restated)
Segment assets	3,726	-	2,306	6,032	5,935	1,316	661	7,912
Segment liabilities	519	-	688	1,207	128	700	800	1,628
Other segment information								
Impairment of goodwill and intangible assets	(1,282)	-	-	(1,282)	-	-	-	-
Additions to non-current assets								
- Intangible assets	-	-	-	-	3,774	-	-	3,774
- Property, plant and equipment	6	-	141	147	20	1	417	438
Depreciation and amortisation expenses	(9)	(39)	(260)	(308)	(9)	(188)	(34)	(231)
Loss allowance for trade receivable	(21)	-	-	(21)	-	-	-	-
Written off - property, plant and equipment	-	-	-	-	-	(132)	-	(132)
Written off - mines properties	-	-	-	-	-	(331)	-	(331)
Written off - inventories	-	-	-	-	-	(60)	-	(60)
Gain on disposal of subsidiary	-	-	13	13	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial instruments, financial risks and capital management

The Group's and the Company's activities expose them to credit risks, market risks (including foreign currency risks) and liquidity risks arising in the ordinary course of business. The Group's and the Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's and the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group and the Company. The management then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange rates.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risk. If necessary, market risk exposures are measured using sensitivity analysis indicated below.

30.1 Credit risks

Credit risks refer to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and the Company perform ongoing credit evaluation of its counterparties' financial condition and generally does not require collaterals.

The Group and the Company do not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics. Further disclosures regarding trade and other receivables are provided in Note 10 to the financial statements.

Credit risk also arises from bank balances and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "BBB+" derived from Fitch Ratings are accepted.

The Board of Directors monitors the credit ratings of counterparties regularly. Impairment of cash and cash equivalents has been measured based on 12-month expected credit loss model. At the reporting date, the Group and Company did not expect any credit losses from non-performance by the counterparties.

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for impairment losses, represents the Group's and the Company's maximum exposure to credit risks.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial instruments, financial risks and capital management (Continued)

30.2 Market risks

Foreign currency risks

The Group incurs foreign currency risk on transactions and balances that are denominated in currencies other than the functional currency of entities within the Group. The Group transacts business in various foreign currencies and therefore is exposed to foreign exchange risk mainly from Singapore dollar.

The Group and the Company do not have any significant exposure on foreign currency for both financial years.

30.3 Liquidity risks

Liquidity risks refer to the risks in which the Group and the Company encounter difficulties in meeting short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The Group and the Company actively manage their operating cash flows so as to ensure that all payment needs are met. As part of overall prudent liquidity management, the Group and the Company minimise liquidity risk by ensuring the availability of funding through equity and maintain sufficient levels of cash to meet working capital requirements.

Contractual maturity analysis

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earlier of the contractual date or when the Group is expected to pay. The table includes both expected interest and principal cash flows.

	Within one financial year S\$'000	After one financial year but within five financial years S\$'000	Total S\$'000
Group			
31.12.22			
<u>Financial liabilities</u>			
Trade and other payables (excluding deferred revenue)	809	–	809
Lease liabilities	144	144	288
	<u>953</u>	<u>144</u>	<u>1,097</u>
31.12.21			
<u>Financial liabilities</u>			
Trade and other payables (excluding deferred revenue)	1,036	–	1,036
Lease liabilities	179	314	493
	<u>1,215</u>	<u>314</u>	<u>1,529</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial instruments, financial risks and capital management (Continued)

30.3 Liquidity risks (Continued)

Contractual maturity analysis (Continued)

	Within one financial year S\$'000	After one financial year but within five financial years S\$'000	Total S\$'000
Company			
31.12.22			
<u>Financial liabilities</u>			
Non-trade payables	1,355	–	1,355
Lease liabilities	144	144	288
	<u>1,499</u>	<u>144</u>	<u>1,643</u>
31.12.21			
<u>Financial liabilities</u>			
Non-trade payables	930	–	930
Lease liabilities	144	288	432
	<u>1,074</u>	<u>288</u>	<u>1,362</u>

30.4 Capital management policies and objectives

The Group and the Company manage capital to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' value.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising share capital, other reserves and accumulated losses as disclosed in the consolidated statement of changes in equity of the Group.

The management reviews the capital structure to ensure that the Group and the Company are able to service any debt obligations (including principal repayment and interest) based on their operating cash flows. Upon review, the Group and the Company will balance their overall capital structure through new share issues and the issue of new debt or the redemption of existing debt, if necessary. The Group's and the Company's overall strategy remains unchanged from 31 December 2021.

The Group is not subject to externally imposed capital requirements for the financial year ended 31 December 2022 and 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

30. Financial instruments, financial risks and capital management (Continued)

30.5 Fair values of financial assets and financial liabilities

The carrying amounts of the Group's and the Company's current financial assets and current financial liabilities approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

The Group and the Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - the fair values of financial assets and financial liabilities with standard terms and conditions and which trade in active liquid markets are determined with reference to quoted market prices;
- Level 2 - in the absence of quoted market prices, the fair values of the other financial assets and financial liabilities (excluding derivative instruments) are determined using the other observable inputs such as quoted prices for similar assets/liabilities in active markets, quoted prices for identical or similar assets/liabilities in non-active markets or inputs other than quoted prices that are observable for the asset or liability; and
- Level 3 - in the absence of observable inputs, the fair values of the remaining financial assets and financial liabilities (excluding derivatives instruments) are determined in accordance with generally accepted pricing models.

30.6 Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	31.12.22	31.12.21	31.12.22	31.12.21
	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)		(Restated)	
Financial assets at amortised cost				
Trade and other receivables	279	542	1,282	49
Cash and cash equivalents	2,217	2,012	1,864	1,213
	<u>2,496</u>	<u>2,554</u>	<u>3,146</u>	<u>1,262</u>
Financial liabilities at amortised cost				
Trade and other payables (excluding deferred revenue)	809	1,036	1,355	930
Lease liabilities	272	457	272	399
	<u>1,081</u>	<u>1,493</u>	<u>1,627</u>	<u>1,329</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

31. Comparative figures

The comparative figures were restated due to the change in the presentation currency as disclosed in Note 2.1 to the financial statements. The effect of the restatements are summarised below.

Consolidated Statements of Financial Position

	As previously reported 31.12.21 RM'000	As restated 31.12.21 S\$'000	As previously reported 1.1.21 RM'000	As restated 1.1.21 S\$'000
Group ASSETS				
Non-current assets				
Property, plant and equipment	3,047	987	3,232	1,065
Mine properties	116	38	1,269	418
Intangible assets	11,507	3,768	-	-
Investments in subsidiaries	-	-	-	-
	<u>14,670</u>	<u>4,793</u>	<u>4,501</u>	<u>1,483</u>
Current assets				
Inventories	151	49	317	104
Trade and other receivables	1,673	542	3,407	1,122
Prepayments	1,593	516	93	31
Cash and cash equivalents	6,215	2,012	2,635	868
	<u>9,632</u>	<u>3,119</u>	<u>6,452</u>	<u>2,125</u>
Total assets	<u>24,302</u>	<u>7,912</u>	<u>10,953</u>	<u>3,608</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	298,595	96,713	265,102	85,548
Other reserves	(119,161)	(39,247)	(118,294)	(38,966)
Foreign currency translation reserve	3	1,519	26	1,763
Accumulated losses	(161,374)	(53,093)	(153,911)	(50,676)
Equity/(Deficit) attributable to owners of the parent	<u>18,063</u>	<u>5,892</u>	<u>(7,077)</u>	<u>(2,331)</u>
Non-controlling interest	1,212	392	-	-
Total equity/(deficit)	<u>19,275</u>	<u>6,284</u>	<u>(7,077)</u>	<u>(2,331)</u>
Non-current liabilities				
Lease liabilities	920	298	488	161
Deferred tax liabilities	218	71	-	-
	<u>1,138</u>	<u>369</u>	<u>488</u>	<u>161</u>
Current liabilities				
Trade and other payables	3,398	1,100	6,413	2,112
Lease liabilities	491	159	266	88
Borrowings	-	-	10,863	3,578
	<u>3,889</u>	<u>1,259</u>	<u>17,542</u>	<u>5,778</u>
Total liabilities	<u>5,027</u>	<u>1,628</u>	<u>18,030</u>	<u>5,939</u>
Total equity and liabilities	<u>24,302</u>	<u>7,912</u>	<u>10,953</u>	<u>3,608</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

31. Comparative figures (Continued)

Consolidated Statements of Comprehensive Income

	As previously reported 2021 RM'000	As restated 2021 S\$'000
Revenue	632	197
Other income	2,784	67
Raw materials and consumables used	(10)	–
Depreciation and amortisation expenses	(713)	(43)
Employee benefits expense	(4,012)	(1,150)
Lease expenses	(126)	(31)
Other expenses	(5,663)	(1,135)
Finance costs	(176)	(46)
Loss before income tax from continuing operations	(7,643)	(2,141)
Income tax (expense)/credit	3	1
Loss from continuing operations	(7,638)	(2,140)
Loss from discontinued operations, net of tax	–	(334)
Loss for the financial year	(7,638)	(2,474)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	(23)	(244)
Other comprehensive income for the financial year, net of tax	(23)	(244)
Total comprehensive income for the financial year	(7,661)	(2,718)
<u>Loss attributable to owners of the parent</u>		
Loss from continuing operations, net of tax	(7,463)	(2,083)
Loss from discontinued operations, net of tax	–	(334)
	(7,463)	(2,417)
Non-controlling interest	(175)	(57)
	(7,638)	(2,474)
<u>Total comprehensive income attributable to owners of the parent</u>		
Loss from continuing operations, net of tax	(7,486)	(2,327)
Loss from discontinued operations, net of tax	–	(334)
	(7,486)	(2,661)
Non-controlling interest	(175)	(57)
	(7,661)	(2,718)
Loss per share attributable to owners of the Company		
S\$ cents (continuing operations) basic and diluted	(0.18)	(0.0511)
S\$ cents (discontinued operations) basic and diluted	–	(0.0082)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

31. Comparative figures (Continued)

Consolidated Statement of Cash flows

	As previously reported 2021 RM'000	As restated 2021 S\$'000
Net cash used in operating activities	(6,043)	(2,237)
Net cash generated from investing activities	1,528	500
Net cash generated from financing activities	8,095	2,881
Net change in cash and cash equivalents	3,580	1,144
Cash and cash equivalents at beginning of financial year	2,635	868
Cash and cash equivalents at end of financial year	6,215	2,012

Statements of Financial Position

	As previously reported 31.12.21 RM'000	As restated 31.12.21 S\$'000	As previously reported 1.1.21 RM'000	As restated 1.1.21 S\$'000
Company				
ASSETS				
Non-current assets				
Property, plant and equipment	1,190	385	–	–
Investments in subsidiaries	17,733	5,812	69,921	23,032
	18,923	6,197	69,921	23,032
Current assets				
Trade and other receivables	152	49	1,860	613
Prepayments	259	84	11	4
Cash and cash equivalents	3,743	1,213	1,258	414
	4,154	1,346	3,129	1,031
Total assets	23,077	7,543	73,050	24,063
EQUITY AND LIABILITIES				
Equity				
Share capital	298,595	96,713	265,102	85,548
Currency translation reserve	–	1,117	–	1,705
Accumulated losses	(279,623)	(91,616)	(203,420)	(66,934)
Equity attributable to owners of the parent	18,972	6,214	61,682	20,319
Total equity	18,972	6,214	61,682	20,319
Non-current liabilities				
Lease liabilities	842	273	–	–
Current liabilities				
Trade and other payables	2,874	930	505	166
Lease liabilities	389	126	–	–
Borrowings	–	–	10,863	3,578
	3,263	1,056	11,368	3,744
Total liabilities	4,105	1,329	11,368	3,744
Total equity and liabilities	23,077	7,543	73,050	24,063

STATISTICS OF SHAREHOLDINGS

As at 15 March 2023

Number of shares issued	:	4,728,832,101
Class of Equity Security	:	Ordinary shares
Voting Rights of Ordinary Shareholders	:	1 vote for each ordinary share
Number of treasury shares	:	Nil
Number of subsidiary holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of Shares	%
1 - 99	21	1.67	1,071	0.00
100 - 1,000	62	4.92	42,395	0.00
1,001 - 10,000	52	4.13	376,582	0.01
10,001 - 1,000,000	918	72.92	224,660,795	4.75
1,000,001 and above	206	16.36	4,503,751,258	95.24
Total	1,259	100.00	4,728,832,101	100.00

SHAREHOLDING HELD IN HANDS OF PUBLIC

As at 15 March 2023, approximately 50.57% of the issued ordinary shares of the Company is held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "Catalist Rules"). Accordingly, Rule 723 of the Catalist Rules is complied with.

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1	Lim Beng Chew	1,234,452,015	26.10
2	Tang Yao Zhi (Chen Yaozhi)	617,226,008	13.05
3	Tan Soo Kia	365,472,206	7.73
4	Lim Chiau Woei	206,263,319	4.36
5	Chua Chye Joo Andrew	182,068,967	3.85
6	Luminor Pacific Fund 1 Ltd (In Members' Voluntary Liquidation)	144,577,450	3.06
7	Phillip Securities Pte Ltd	134,543,346	2.85
8	Cedric Yap Kun Hao	120,165,490	2.54
9	DBS Nominees Pte Ltd	104,277,950	2.21
10	Thong Xin Pte. Ltd.	90,000,000	1.90
11	Koh Ah Luan	82,554,886	1.75
12	iFast Financial Pte Ltd	50,051,000	1.06
13	Tan Kim Seng	45,000,000	0.95
14	CGS-CIMB Securities (Singapore) Pte Ltd	43,247,419	0.91
15	OCBC Securities Private Ltd	42,929,600	0.91
16	Desmond Tan Ghee Teong	40,099,998	0.85
17	Koh Kai Jok	39,681,818	0.84
18	UOB Kay Hian Pte Ltd	38,784,808	0.82
19	Maybank Securities Pte. Ltd.	38,010,218	0.80
20	Neo Tian Siah	37,800,000	0.80
	Total	3,657,206,498	77.34

STATISTICS OF SHAREHOLDINGS

As at 15 March 2023

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 15 MARCH 2023

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Lim Beng Chew	1,234,452,015	26.10	–	–
Tang Yao Zhi (Chen Yaozhi)	617,226,008	13.05	–	–
Tan Soo Kia	365,472,206	7.73	–	–

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of VCPlus Limited (the “**Company**”) will be held by way of electronic means, on Thursday, 27 April 2023 at 10.00 a.m., for the following purposes, as set out below.

This Notice has been made available on SGXNet. A printed copy of this Notice will NOT be sent to members.

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended 31 December 2022 and the Statement of Financial Position of the Company as at 31 December 2022 together with the Independent Auditors’ Report thereon. **(Resolution 1)**
2. To re-elect Mr. Lim Beng Chew, a Director retiring by rotation pursuant to Article 114 of the Company’s Constitution.
(See Explanatory Note (i)) **(Resolution 2)**
3. To re-elect Mr. Gavin Mark McIntyre, a Director retiring by rotation pursuant to Article 114 of the Company’s Constitution.
(See Explanatory Note (ii)) **(Resolution 3)**
4. To approve the payment of Directors’ Fees of S\$105,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears (FY2022: S\$105,000). **(Resolution 4)**
5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS:

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

6. (I) To note the retirement of Messrs BDO LLP (“**BDO**”) as Auditors of the Company and to appoint Messrs Nexia Singapore PAC, as Auditors of the Company in place of BDO, to hold office until the conclusion of the next annual general meeting of the Company at a remuneration and on such terms as may be agreed by the Directors of the Company with Messrs Nexia Singapore PAC (the “**Proposed Change of Auditors**”); and **(Resolution 5)**
- (II) The Directors and any one of them be and are hereby authorised and empowered to approve and complete and do all such acts and things (including to approve, modify, ratify, sign, seal, execute and deliver all such documents as may be required) as they or he may consider expedient, desirable, necessary or in the interests of the Company to give effect to this Ordinary Resolution.
(See Explanatory Note (iii))

NOTICE OF ANNUAL GENERAL MEETING

7. GENERAL MANDATE TO ISSUE SHARES OR CONVERTIBLE SECURITIES

(Resolution 6)

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

- (a)
 - (i) issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or
 - (ii) make or grant offers, agreements or options (collectively, “**instruments**”) that may or would require shares to be issued, including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any instrument made or granted by the Directors while this Resolution was in force, provided that:
 - (i) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed one hundred per cent. (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be granted other than on a pro-rata basis to shareholders of the Company with registered addresses in Singapore (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company (as calculated in accordance with sub-paragraph (ii) below);
 - (ii) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company shall be calculated based on the total number of issued shares excluding treasury shares and subsidiary holdings of the Company at the time of the passing of this Resolution, after adjusting for:
 - (1) new shares arising from the conversion or exercise of any convertible securities;
 - (2) (where applicable) new shares arising from exercise of share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (3) any subsequent bonus issue, consolidation or subdivision of shares;

NOTICE OF ANNUAL GENERAL MEETING

Adjustments in accordance with (b)(ii)(1) or (b)(ii)(2) above are only to be made in respect of new shares arising from convertible securities, share options or Share awards which were issued and outstanding or subsisting at the time this Resolution is passed;

- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (iv) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”
(See Explanatory Note (iv))

8. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO THE ANCHOR RESOURCES EMPLOYEE PERFORMANCE SHARE PLAN** (Resolution 7)

That pursuant to Section 161 of the Companies Act 1967, approval be and is hereby given to the Directors of the Company to allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards granted or to be granted under the Anchor Resources Employee Performance Share Plan (the “**Plan**”), provided that the aggregate number of ordinary shares to be issued pursuant to the Plan and any other share-based incentive schemes of the Company shall not exceed fifteen per cent. (15%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company from time to time.

(See Explanatory Note (v))

By Order of the Board

Chua Ser Miang
Non-Executive Chairman and Lead Independent Director

Date: 12 April 2023
Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

- (i) Mr. Lim Beng Chew, upon re-election as Director of the Company, will remain as the Executive Director of the Company.
- (ii) Mr. Gavin Mark McIntyre, upon re-election as Director of the Company, will remain as an Independent Director of the Company, the Chairman of the Audit Committee (“AC”), and a member of the Remuneration Committee and the Nominating Committee. The Board considers Mr. Gavin Mark McIntyre to be independent for the purposes of Rule 704(7) of the Catalist Rules. There are no relationships (including immediate family relationships) between Mr. Gavin Mark McIntyre and the other Directors of the Company, the Company, its related corporations, its substantial shareholders or its officers, which may affect his independence.

Detailed information (including information as required pursuant to Rule 720(5) of the Catalist Rules) on the abovementioned Directors who are proposed to be re-elected at the AGM of the Company can be found in the Company’s annual report 2022.

- (iii) The Ordinary Resolution 5 proposed in item 6 above, if passed, is to approve the proposed appointment of Messrs Nexia Singapore PAC as Auditors of the company in place of the retiring auditors, Messrs BDO LLP (“BDO”), and to authorise the Directors to fix their remuneration.

The Company’s existing auditors, BDO have been the auditors of the Company since the Company’s listing on the Catalist on 18 March 2016. BDO was re-appointed as auditors at the last AGM of the Company held on 29 April 2022 to hold office until the conclusion of the AGM. BDO has informed the Company that they will not be seeking re-appointment as auditors of the Company and will retire as the auditors of the Company at this AGM. The Company has, to date, no concerns with BDO on their discharge of the audit responsibility.

In addition, as part of ongoing good corporate governance initiatives, the Directors are of the view that a change in auditors would enable the Company to benefit from fresh perspectives and further, as part of the Company’s ongoing efforts to enhance operating cost efficiencies. The Company has on 10 March 2023 received a letter of nomination from a shareholder, Cedric Yap Kun Hao, nominating Nexia Singapore PAC as auditors in place of retiring auditors, BDO. A copy of the letter of nomination is available for inspection at the registered office address of the Company. The Board, having reviewed fee proposals from several audit firms and deliberated on the suitability of the respective audit firms, and in consultation with the AC, has recommended Messrs Nexia Singapore PAC to be appointed as the Auditors of the Company.

The AC had not considered the Audit Quality Indicators Disclosure Framework (“AQI Framework”) in its entirety as the adoption of the AQI Framework is voluntary. Nevertheless, the AC has considered, and is satisfied that Messrs Nexia Singapore PAC has adequate resources and experience to handle the audit, the audit engagement partner assigned to the audit has the appropriate experience to handle the audit, and there will be an adequate number of suitably experienced supervisory and professional staff assigned to the audit, having due regard to the size, businesses and complexity of the Group. There will be no change in the scope of the audit to be undertaken by Messrs Nexia Singapore PAC. Upon recommendation from the AC and after due deliberation, the Board is of the view that it would be in the best interests of the Company to appoint Messrs Nexia Singapore PAC as the auditor of the Group.

Messrs Nexia Singapore PAC is established in Singapore since 1 January 2020 with the merger of two award-winning firms, Messrs CA Trust PAC and Messrs Ardent Associates LLP which were established in 2008 and 2011, respectively.

Messrs Nexia Singapore PAC is a full-service firm of Chartered Accountants of Singapore registered with Accounting and Corporate Regulatory Authority (“ACRA”). Messrs Nexia Singapore PAC has more than 80 professional staff members and 9 active partners who are practicing Singapore Chartered Accountants serving a diverse range of clients, from large multinational corporations, non-profit organisations, MAS regulated entities to private businesses, entrepreneurs and individuals across a broad array of industry sectors.

Messrs Nexia Singapore PAC is a member of Nexia International, a global network of independent accounting firms with footprints in 125 countries. Messrs Nexia International is ranked 12th largest global accountancy network in 2022 and is a member of the Forum of Firms.

For more information about Messrs Nexia Singapore PAC, please visit its website at www.nexiasingapore.com.

The engagement director-in-charge will be Mr. Wong Tit Siang, Vincent. Vincent is a practising member of the Institute of Singapore Chartered Accountants (“ISCA”) and a public accountant registered with ACRA, with more than 18 years of extensive experience in auditing and accounting. He was involved in the audit of different industries, including listed companies, private companies, multinational corporations and not-for-profit organizations. His portfolio ranged from MAS-regulated businesses, lifestyle, trading, food and beverages, manufacturing, construction and shipping industry. He also has experience in internal audit, financial due diligence, consolidation work and group accounts, financial accounting and reporting. Vincent has been subject to the Practice Monitoring Programme review by ACRA and has passed the Practice Monitoring Programme review by ACRA in 2023 and received no negative feedback from the exercise.

Apart from Vincent, Messrs Nexia Singapore PAC will be assigning Mr. Chang Fook Kay as the Engagement Quality Reviewer who will independently evaluate the significant judgements made by the engagement team and the related conclusions reached in forming the overall conclusion on the engagement. Mr. Chang has more than 25 years of audit experience in providing audit and assurance services to a variety of clients, including as engagement partner of public companies listed on the SGX-ST. He is also a chartered accountant with the ISCA, a member of the ISCA’s Investigation and Disciplinary Panel and a fellow practising member of the Association of Chartered Certified Accountants, UK. He was a former committee member of the ISCA’s Financial Statements Review Committee and was a former board member of the ISCA’s Auditing and Assurance Standards Committee. Mr. Chang has been subject to the Practice Monitoring Programme review by ACRA and has passed the Practice Monitoring Programme review by ACRA in 2009 and 2015 and received no adverse feedback from those reviews.

NOTICE OF ANNUAL GENERAL MEETING

An audit engagement manager is assigned to assist the audit engagement director to oversee the audit. The assigned manager has more than 8 years of experience in audits of both multinational corporations and listed companies in Singapore and is well-equipped with updated and relevant skill sets to help drive the audit process.

Messrs Nexia Singapore PAC had on 11 April 2023 given its written consent to act as new auditors of the Company and its Singapore incorporated subsidiaries, subject to approval from Shareholders for the Proposed Change of Auditors being obtained at the AGM. If approved, Messrs Nexia Singapore PAC will hold office until the conclusion of the next annual general meeting of the Company. The Company does not have any significant associated companies.

The Directors wish to express their appreciation for the services rendered by BDO in the past.

In accordance with Rule 712(3) of the Catalist Rules:

- (a) BDO has confirmed, by way of its letter dated 11 April 2023, that it is not aware of any professional reasons why Messrs Nexia Singapore PAC should not accept the appointment as auditors of the Company;
 - (b) the Company confirms that there were no disagreements with BDO on accounting treatments within the last 12 months;
 - (c) the Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders of the Company;
 - (d) the Company confirms that the specific reasons for the Proposed Change of Auditors are disclosed above; and
 - (e) the Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Messrs Nexia Singapore PAC as the new auditors of the Company.
- (iv) The Ordinary Resolution 6 proposed in item 7 above, if passed, is to empower the Directors to issue shares in the capital of the Company and/or instruments (as defined above). The aggregate number of shares to be issued pursuant to this Resolution 6 (including shares to be issued in pursuance of instruments made or granted) shall not exceed one hundred per cent. (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, with a sub-limit of fifty per cent. (50%) for shares issued other than on a pro-rata basis (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) to shareholders with registered addresses in Singapore. For the purpose of determining the aggregate number of shares that may be issued, the percentage of the total number of issued shares excluding treasury shares of the Company will be calculated based on the total number of issued shares excluding treasury shares and subsidiary holdings of the Company at the time of the passing of this Resolution 6, after adjusting for (i) new shares arising from the conversion or exercise of any convertible securities; (ii) new shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution 6, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (iii) any subsequent bonus issue, consolidation or subdivision of shares.
- (v) The Ordinary Resolution 7 proposed in item 8 above, is to authorise the Directors to allot and issue shares upon the vesting of awards under the Plan.

NOTES:

1. The Meeting will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and Singapore Exchange Regulation's "Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation" dated 4 February 2022. Members **will not** be able to attend the Meeting in person.

Alternative arrangements have been put in place to allow shareholders to participate at the AGM by:

- (a) observing the proceedings of the AGM via a "live" webcast ("**LIVE WEBCAST**") or listening to these proceedings through a "live" audio feed ("**AUDIO ONLY MEANS**");
- (b) submitting questions relating to the resolutions to be tabled at the AGM in advance of the AGM;
- (c) submitting text-based questions during the LIVE WEBCAST of the AGM;
- (d) appointing a proxy or proxies to attend and vote on their behalf at the AGM; and
- (e) participating in the live voting during the LIVE WEBCAST of the AGM.

NOTICE OF ANNUAL GENERAL MEETING

2. Registration for the AGM

A member of the Company who wishes to watch the LIVE WEBCAST or listen via the AUDIO ONLY MEANS must register by **10.00 a.m. on 25 April 2023** (“**Registration Deadline**”), at the URL <https://conveneagm.com/sg/VCPlus2023>, for the Company to authenticate his/her/its status as member.

Please note that members of the Company may access the URL for registration from 6.00 p.m. on 12 April 2023 onwards.

Following successful authentication of his/her/its status as members of the Company, authenticated members of the Company will receive a confirmation email (“**Confirmation Email**”) and can access the LIVE WEBCAST and AUDIO ONLY MEANS via logging in to the pre-registration website using their login credentials created during pre-registration to observe the proceedings of the Meeting on the AGM day, by **12.00 p.m. on 26 April 2023**. Members who have registered by the Registration Deadline but do not receive the Confirmation Email by **12.00 p.m. on 26 April 2023** may contact the Company for assistance at (65) 6856 7330 or email support@conveneagm.com.

3. Submission of Questions

Members who have registered and have been authenticated as members of the Company will be able to ask questions relating to the resolution to be tabled for approval at the Meeting during the Meeting by submitting text-based questions by clicking the “Ask a Question” feature and then clicking “Type your Question” to input queries in the questions text box. The Company will endeavour to respond to such queries during the Meeting as far as reasonably practicable.

Members are also encouraged to submit questions relating to the resolution to be tabled for approval at the Meeting in advance of the Meeting. To do so, all questions must be submitted by 10.00 a.m. on 19 April 2023, by post to the Company’s office at 223 Mountbatten Road, #03-10 Singapore 398008, attention to VCPlus AGM, or by email to enquiry@vcplus.sg, or via the online process through the registration website which is accessible at the URL <https://conveneagm.com/sg/VCPlus2023>. After the cut-off time for the submission of questions, any subsequent clarifications sought or follow-up questions will be addressed at the Meeting.

Members will need to identify themselves when posing questions by email or by post by providing the following details:

- the member’s full name as it appears on his/her/its CDP/CPF/SRS share records;
- the member’s NRIC/Passport/UEN number;
- the member’s contact number and email address; and
- the manner in which the Member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

The Company will endeavour to address all substantial and relevant questions submitted in advance of the AGM by publishing the responses to such questions on SGXNet and the Company’s website at <https://www.vcplus.sg/investor-relations/>, by 10.00 a.m. on 23 April 2023 (being not less than forty-eight (48) hours prior to the closing date and time for the lodgment of the proxy forms).

Minutes of the Meeting will be published on SGXNet and the Company’s website at <https://www.vcplus.sg/investor-relations/>, and the minutes would include the responses to the substantial and relevant questions addressed at the Meeting.

4. Voting

A member of the Company will not be able to attend the Meeting in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the Meeting, he/she/it may cast his/her/its votes remotely in real time via the Live Webcast.

As an alternative to the aforesaid real-time electronic voting, members may appoint a proxy or proxies to vote on his/her/its behalf at the Meeting. The proxy or proxies may cast his/her/its votes remotely in real time via the Live Webcast.

A member entitled to attend and vote at the AGM (who is not a relevant intermediary as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. Where a member appoints more than one proxy, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy.

A member who is a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such shareholder. Where such member appoints more than two (2) proxies, it should annex to the Proxy Form the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares and percentage) in relation to which each proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this Note. The appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed in the Proxy Form.

Members may also vote at the AGM by appointing the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the Meeting. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the Chairman will vote at his discretion.

NOTICE OF ANNUAL GENERAL MEETING

In addition, CPF/SRS investors who have used their CPF/SRS monies to buy Shares in the Company:

- a) may vote live via electronic means at the AGM, or pre-cast their votes via the URL in the Confirmation Email if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have questions regarding their appointment as proxies; or
- b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks/SRS Operators no later than **10.00 a.m. on 18 April 2023** (being seven (7) working days before the AGM).

The proxy form for the Meeting is made available with this Notice of AGM on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> on the same day and can be accessed at the Company's website at the URL <https://www.vcplus.sg/investor-relations/>.

5. A proxy need not be a member of the Company.
6. The instrument appointing proxy/proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
 - a) if sent by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, attention to VCPlus AGM; or
 - b) if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,
 - c) if by pre-registration website, be submitted at the URL <https://conveneagm.com/sg/VCPlus2023>

in either case, by **10.00 a.m. on 25 April 2023** (being not less than forty-eight (48) hours before the time appointed for holding the Meeting) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

Members of the Company are encouraged to submit completed proxy forms electronically via email or the pre-registration website at URL <https://conveneagm.com/sg/VCPlus2023>.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (such as in the case where the appointor submits more than one instrument appointing a proxy or proxies).

Personal Data Privacy:

By (a) submitting an instrument appointing a proxy to vote at the Meeting and/or any adjournment thereof, or (b) submitting details for the pre-registration to observe the proceedings of the Meeting via LIVE WEBCAST or AUDIO ONLY MEANS, or (c) submitting any questions prior to the Meeting or raising any questions during the Meeting in accordance with this Notice of AGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents) of proxy forms appointing a proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the LIVE WEBCAST or AUDIO ONLY MEANS to observe the proceedings of the Meeting and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from members received before or during the Meeting and if necessary, following up with the relevant members in relation to such questions;
- (iv) preparation and compilation of the attendance list, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes to be prepared in respect of the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or any motions he may propose/second) may be recorded by the Company for such purpose.

VCPLUS LIMITED

(Incorporated in Singapore)
(Registration No. 201531549N)

PROXY FORM – ANNUAL GENERAL MEETING

(Please see notes overleaf before completing this Form)

This form of proxy has been made available on SGXNet.
A printed copy of this form of proxy will NOT be despatched to members

IMPORTANT:

- Alternative arrangements relating to, among other things, attendance, submission of questions and/or voting at the Annual General Meeting are set out in the Notice of Annual General Meeting dated 12 April 2023 published on the SGXNet on the same day. The Notice of AGM and this proxy form will not be sent to members. Instead, these documents may be accessed at the URLs <https://www.sgx.com/securities/company-announcements> and <https://www.vcplus.sg/investor-relations/>.
- As the AGM is held by way of electronic means, a member will not be able to attend the Annual General Meeting in person.
- This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
- CPF/SRS investors who wish to vote should contact their respective CPF Agent Banks or SRS Operators to submit their votes by 10.00 a.m. on 18 April 2023.

I/We, _____ (Name)

of _____ (Address)

being a *member/members of VCPLUS LIMITED (the “Company”), hereby appoint

NAME	ADDRESS	NRIC or Passport No.	Email Address**	Proportion of Shareholdings	
				No. of Shares	%

*and/or

NAME	ADDRESS	NRIC or Passport No.	Email Address**	Proportion of Shareholdings	
				No. of Shares	%

or failing which, the Chairman of the Annual General Meeting (“AGM”) as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the AGM to be held by way of electronic means (via LIVE WEBCAST and/or AUDIO ONLY MEANS) on Thursday, 27 April 2023 at 10.00 a.m. and at any adjournment thereof. *I/We direct the my/our proxy/proxies to vote for or against, or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

All resolutions put to the vote at the AGM shall be decided by way of poll.

If you wish to exercise all your votes “For” or “Against”, or to “Abstain” from voting on the Resolution, please mark an “X” in the appropriate box provided. Alternatively, please indicate the number of votes “For” or “Against” or which you “Abstain” from giving in respect of each resolution in the boxes provided as appropriate. If you mark an “X” in the “Abstain” box for a particular resolution, you are directing your proxy/proxies not to vote on that resolution.

No.	Resolutions	For	Against	Abstain
	ORDINARY BUSINESS			
1.	Adoption of the Directors’ Statement and the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended 31 December 2022 and the Statement of Financial Position of the Company as at 31 December 2022 together with the Independent Auditors’ Report thereon			
2.	Re-election of Mr. Lim Beng Chew as a Director of the Company			
3.	Re-election of Mr. Gavin Mark McIntyre as a Director of the Company			
4.	Payment of Directors’ Fees of S\$105,000 for the financial year ending 31 December 2023, to be paid quarterly in arrears			
	SPECIAL BUSINESS			
5.	Appointment of Messrs Nexia Singapore PAC as Auditors of the Company and to authorise the Directors to fix their remuneration			
6.	Authority for Directors to allot and issue new shares			
7.	Authority for Directors to allot and issue shares on the vesting of awards under the Anchor Resources Employee Performance Share Plan			

Dated this _____ day of _____ 2023

Total Number of Shares held:

Signature(s) of member(s)
or Common Seal of Corporate Shareholder

*Delete as appropriate

**Required for registration purposes. The Confirmation Email (as defined in the Notice of AGM) will be sent to the email addresses disclosed herein.

IMPORTANT: PLEASE READ NOTES OVERLEAF CAREFULLY BEFORE COMPLETING THIS PROXY FORM

NOTES TO PROXY FORM:

1. Please insert the total number of shares in the capital of the Company (“Shares”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy/proxies shall be deemed to relate to all the Shares held by you.
2. As the AGM will be held by way of electronic means, a member of the Company will not be able to attend the Meeting in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the Meeting, he/she/it may cast his/her/its votes remotely in real time via the Live Webcast. He/she/it may appoint a proxy/proxies to vote on his/her/its behalf at the AGM in real time via the Live Webcast. A member may appoint the Chairman of the AGM as to vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the Chairman will vote at his discretion.
3. A member entitled to attend and vote at the AGM, who is not a relevant intermediary (as defined in Section 181 of the Companies Act 1967), is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints more than one proxy, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A member who is a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, it should annex to the instrument appointing a proxy or proxies (the “**Proxy Form**”) the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares and percentage) in relation to which each proxy has been appointed. For the avoidance of doubt, a CPF Agent Bank/SRS Operator who intends to appoint CPF/SRS investors as its proxies shall comply with this Note. The appointments shall be invalid unless the member specifies the number of Shares in respect of to which each proxy has been appointed in the Proxy Form.
5. A proxy need not be a member of the Company.
6. This instrument appointing proxy/proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
 - (a) if sent by post, be lodged at the office of the Company’s Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, attention to VCPlus AGM; or
 - (b) if submitted by email, be received by the Company’s Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com; or,
 - (c) if by pre-registration website, be submitted at the URL <https://conveneagm.com/sg/VCPlus2023>

in either case, by 10.00 a.m. on 25 April 2023 (being not less than forty-eight (48) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

Members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

7. This proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.
 - (i) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised, failing which the instrument of proxy may be treated as invalid.
 - (ii) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
8. CPF investors and/or SRS investors: (a) may vote live via electronic means at the AGM, or pre-cast their votes via the URL in the Confirmation Email if they are appointed as proxies by their respective CPF Agent Banks and/or SRS Operators, and should contact their respective CPF Agent Banks and/or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their voting instructions by 10.00 a.m. on 18 April 2023, being seven (7) working days before the AGM.
9. Completion and return of the Proxy Form shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form, to the AGM.

General:

The Company shall be entitled to reject this proxy form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this proxy form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy

By submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2023.



VCPLUS LIMITED