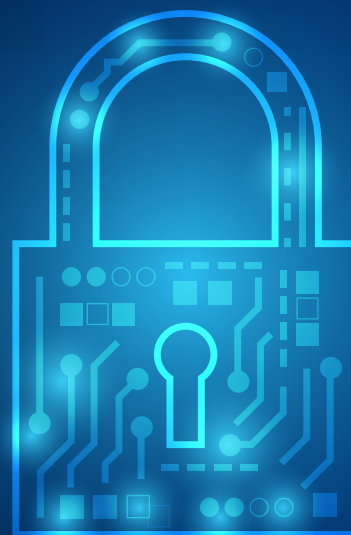


# SAFEKEEPING YOUR DIGITAL ASSETS

ANNUAL REPORT 2023





This annual report has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor").

This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the 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.

# CORPORATE PROFILE

VCPlus Limited (the “Company”) was incorporated on 30 September 2010 and listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“SGX”) in March 2016.

The Company’s business currently 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 (“FinTech Business”).

## MISSION

To accelerate the development and adoption of innovation in FinTech and digital assets space

## VISION

To be leading player in the FinTech and digital assets ecosystem

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**MR. CHUA SER MIANG**

Non-Executive Chairman and Lead Independent Director

**MR. GAVIN MARK MCINTYRE**

Independent Director

**MR. CHONG HENG LOONG**

Executive Director and Chief Executive Officer

**MR. ONG CHOON YI**

Independent Director

**MR. LIM BENG CHEW**

Executive Director

**MS. LEE KIM LIAN, JULIANA**

Independent Director

**MR. THOMAS CHUN PAI**

Non-Executive Non-Independent Director

**MS. TANG ZHENGMING**

Executive 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

223 Mountbatten Road

#03-10

Singapore 398008

Tel: +65 6992 5338

Company Registration No.

201531549N

### PRINCIPAL PLACE OF BUSINESS

223 Mountbatten Road

#03-10 Singapore 398008

Tel: +65 6992 5338

### 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 AUDITORS

Nexia Singapore PAC

Public Accountants and Chartered Accountants

120 Robinson Road

#16-01

Singapore 068913

Partner-in-charge:

Ms. Chan Rouh Ting

(Appointed since the financial year ended 31

December 2023)

### SPONSOR

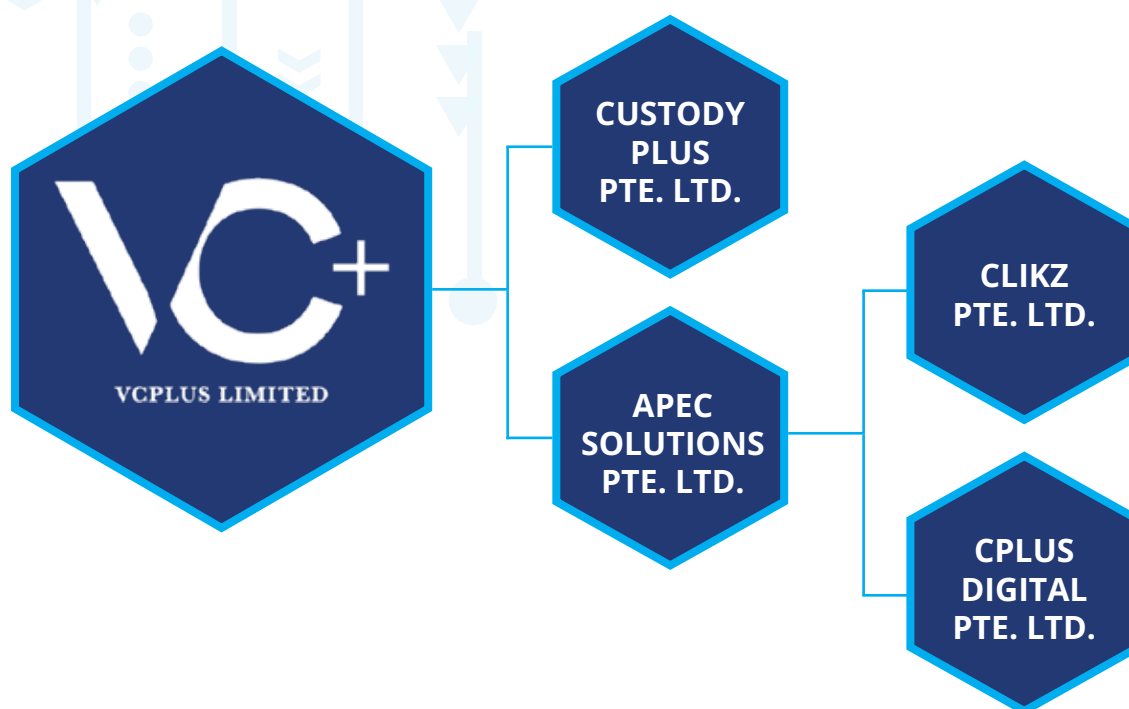
UOB Kay Hian Private Limited

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%
CPlus Digital 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	100.00%

## CHAIRMAN'S STATEMENT

### 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 2023 ("**FY2023**").

FY2023 was the Group's first full year of operations solely in the financial technology and digital assets business (collectively the "**FinTech Business**") after the Company exited the Granite Business in May 2022.

In March 2023, the Company's subsidiary Custody Plus Pte. Ltd. ("**Custody Plus**") successfully obtained the full license from the Monetary Authority of Singapore to carry out the business of digital assets custodian. To expand the custodian business under full control of the Company, the Company acquired the remaining 45% stake in Custody Plus it did not own, a transaction completed in July 2023.

While the Group was pushing ahead with its businesses, FY2023 was a challenging year in the midst of uncertain global economic outlook, rising inflationary pressures and interest rates and geopolitical tensions. Due to these headwinds, the Group's revenue declined in FY2023 as



**MR. CHUA SER MIANG**

*Non-Executive Chairman and  
Lead Independent Director*

## CHAIRMAN'S STATEMENT

compared to FY2022 because customers were more cautious in their expenses allocated to technology solutions and digital marketing services. In addition, market adoption of the digital assets sector was hampered by increasingly more stringent regulatory requirements imposed on the digital assets sector.

Notwithstanding these headwinds, we remain positive over the long-term prospects in the financial technology and digital assets sectors. The rapid pace of digital transformation agenda will continue to be a major driver of business activities and expansion, investments and development of new products and/or services.

### LOOKING AHEAD

The economic and business outlook remains shrouded by a host of risks that could potentially derail growth in 2024. The Group expects the business environment in which it operates in to remain challenging in the financial year 2024 and hence, the management will remain vigilant in managing its expenses and continue to develop its new businesses to grow its revenue.

Digital assets sector is expected to undergo fundamental changes to its business and/or 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 addition, the Group will continue to establish collaboration with strategic partners and explore business opportunity attractive to the Group.

### WORDS OF APPRECIATION

On behalf of the Board, I would like to express my deepest gratitude to our management and staff for the 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.

I welcome onboard Ms Tang Zhengming, our new Executive Director, Mr Ong Choon Yi, our new Independent Director and Mr Thomas Pai, our new Non-Independent Non-Executive Director, all of whom will be seeking re-appointment at the forthcoming Annual General Meeting ("AGM").

I take this moment to also extend my gratitude to Independent Directors Ms. Lee Kim Lian, Juliana and Mr. Gavin Mark McIntyre and Executive Directors Mr. Lim Beng Chew and Mr. Chong Heng Loong, who will not be seeking for re-appointment at the AGM and will accordingly retire from office as Directors of the Company after the conclusion of the AGM.

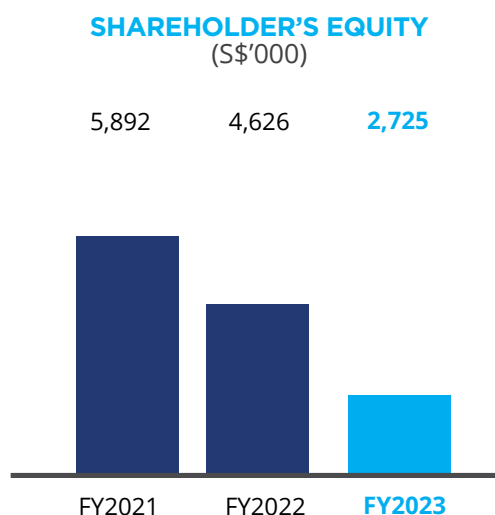
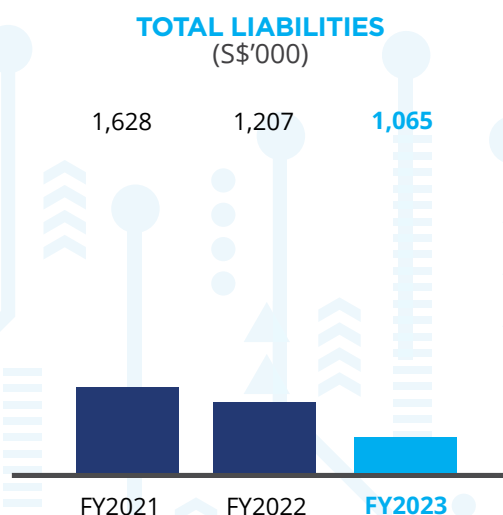
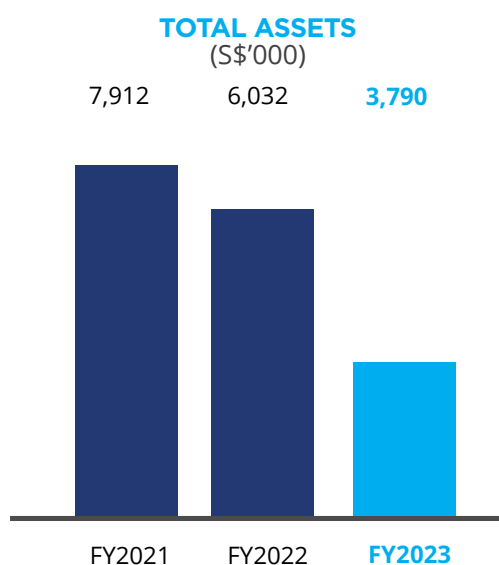
As we embark on a challenging journey ahead in 2024, we will strive to grow our businesses and capabilities and to deliver greater value to our shareholders, under the leadership of recently appointed Executive Director Ms. Tang Zhengming.

### MR. CHUA SER MIANG

Non-Executive Chairman and Lead Independent Director

## FINANCIAL HIGHLIGHTS

(Expressed in S\$'000)	FY2021 (Restated)	FY2022	FY2023
<b>Results</b>			
Revenue	197	828	398
Loss from continuing operations	(2,140)	(2,942)	(2,186)
Loss per share attributable to owners of the Company (S\$ cents) - continuing operations	(0.0511)	(0.0603)	(0.0416)
<b>Financial Position</b>			
Total Assets	7,912	6,032	3,790
Total Liabilities	1,628	1,207	1,065
Total Borrowings	-	-	-
Shareholders' Equity attributable to equity holders of the Company	5,892	4,626	2,725





# FINANCIAL AND OPERATION REVIEW

## REVENUE AND OTHER INCOME

The Group recorded S\$0.40 million in FY2023 as compared to S\$0.83 million revenue in FY2022. The lower revenue generated from the Fintech Business during the year was due to lower revenue contributed by subsidiary company APEC Solutions as its customers were more cautious in their expenses allocated for technology and digital marketing services in view of the economic uncertainty and increase in operating costs arising from higher interest rates and inflation. In FY2023, the Custody business has not generated any revenue.

Other income comprised of management fee, government wages subsidy and rental income. The Group recorded other income of S\$0.12 million for FY2023, representing a decrease of S\$0.24 million from S\$0.36 million for FY2022. The decrease was mainly due to lower management fee as well as lower government grant received in the financial year as compared to prior year.

## PROFITABILITY

Total operating expenses decrease by S\$1.39 million to S\$2.74 million in FY2023 from S\$4.13 million in FY2022. The decrease in total operating expenses was mainly due to:

- the decrease in depreciation and amortisation expenses to S\$0.21 million in FY2023 from S\$0.27 million in FY2022 mainly due to lower charges of amortisation of intangibles after the full impairment made to unfinished contracts recognised as intangibles in FY2022.
- the decrease in employee benefits expenses by S\$0.23 million to S\$1.3 million in FY2023 from S\$1.5 million in FY2022 mainly due to lower employee headcount in FY2023 as compared to FY2022 since the exit from Granite Business in May 2022.
- the decrease in other expenses by S\$1.17 million from S\$2.14 million in FY2022 to S\$0.97 million in FY2023 mainly due to the impairment loss on goodwill in FY2022 which is one-off in nature, partially offset by higher professional fees and expenses incurred in FY2023 in preparation for Custody operations and obtaining of MAS license and in the acquisition of 45% stake in Custody Plus;

partially offset by the increases below:-

- the increase in cost of services and sales from S\$0.14 million in FY2022 to S\$0.16 million mainly due to higher costs of direct expenses incurred arising from inflationary pressure;
- the increase in the loss allowance on third party trade receivables from S\$21,000 in FY2022 to S\$27,000 in FY2023 due to slow payment from certain customers;

- the increase in finance costs from S\$17,000 in FY2022 to S\$79,000 in FY2023 due to higher finance charges in FY2023.

The Group incurred net loss from continuing operation of S\$2.19 million and S\$2.94 million in FY2023 and FY2022, respectively.

## FINANCIAL POSITION

As at 31 December 2023, total equity attributable to owners of the parent amounted to S\$2.73 million, comprising share capital of S\$98.83 million, accumulated losses of S\$96.99 million and reserves of S\$0.88 million.

The Group's total assets was S\$3.79 million as at 31 December 2023 compared to S\$6.03 million as at 31 December 2022. The decrease was mainly due to the reduction of cash and cash equivalents from S\$2.22 million as at 31 December 2022 to S\$0.40 million as at 31 December 2023 arising from usage of funds for operations in FY2023.

The Group's total liabilities was S\$1.07 million as at 31 December 2023 compared to S\$1.21 million as at 31 December 2022. The decrease was mainly due to repayment of lease liabilities.

The Group had no borrowings as at 31 December 2023. As at 31 December 2023, the Group reported a net current liabilities of S\$0.53 million as compared to a net current assets position of S\$2.28 million as at 31 December 2022.

## CASH FLOWS

In FY2023, the Group recorded a net cash used in operating activities of S\$1.67 million. The net operating cash outflow was mainly due to operating cash flows before working capital changes of S\$1.79 million and net off working capital changes.

During the financial year, the net cash used in investing activities was due to additions of property, plant and equipment and net cash used in financing activities was primarily for repayment of lease obligations and interests amounting to S\$0.14 million.

Due to the above factors, cash and cash equivalents decreased from S\$2.22 million as at 31 December 2022 to S\$0.40 million as at 31 December 2023.

## 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. CHONG HENG LOONG

*Executive Director and Chief Executive Officer*

Mr. Chong Heng Loong, the Chief Executive Officer of the Group since 1 April 2021, was appointed as Executive Director of the Company on 2 October 2023. He 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.

## BOARD OF DIRECTORS



### MS. TANG ZHENGMING

*Executive Director*

Ms. Tang Zhengming was appointed as Executive Director of the Company on 1 March 2024.

Ms. Tang is a businesswoman with extensive experience in business and operations. She held a senior executive position in Jiahe Food Industry Co., Ltd. in China, which was successfully listed on the Shanghai Stock Exchange A shares. Over the past two decades, she has accumulated a wealth of experience and business network in Singapore, China and other countries.

In 2018, Ms. Tang attained an Executive Master of Business Administration from the National University of Singapore. She is currently pursuing a Doctorate of Business Administration (DBA) at Cheung Kong Graduate School of Business.



### 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 27 April 2023. 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 27 April 2023. 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 Don Agro International Limited 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.

## BOARD OF DIRECTORS



### MR. ONG CHOON YI

*Independent Director*

Mr. Ong Choon Yi was appointed as Independent Director on 15 November 2023.

Mr. Ong is currently Vice President of Maybank Securities since 2007 where he is involved in equity capital markets activities. He has 17 years of experience in transactions such as initial public offering, reverse take over and fund raising.

Mr. Ong is a director of consultancy company which provides business and management advisory services. He also advises local and foreign companies on mergers and acquisitions and corporate finance area.

Ong Choon Yi holds a Diploma in Building & Property Management from Ngee Ann Polytechnic.



### MR. THOMAS C. PAI

*Non-Executive and Non-Independent Director*

Mr. Thomas C. Pai was appointed as a Non Executive Non Independent Director on 21 November 2023.

Mr. Pai is currently working as an independent business consultant in China. Since 1994, Mr. Pai has relocated to China from California and worked as an executive in different business sectors in China.

Mr. Pai holds a Master Degree of Science, Accounting from California State University Los Angeles and certified through Coopers & Lybrand. Prior to his relocation, Mr. Pai was a partner of a medium size accounting firm in California.



## KEY MANAGEMENT

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### MR. CHONG HENG LOONG

*Chief Executive Officer*

Please refer to profile of Mr. Chong on page 8.

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### MR. ANSON HOW

*Interim Head of Apec Solutions*

Mr. Anson How is currently the Interim Head and Head of Business Development of APEC Solutions Pte. Ltd. Working together with Mr. Cedric Yap, he oversees the operations of APEC Solutions and its marketing and business development activities.

Mr. How has over a decade of marketing experience spanning industries such as insurance, logistics, and technology. He played a pivotal role in securing APEC Solutions' recognition as an IMDA Approved Vendor and successfully establishing corporate distributorships in the technology and telecommunications sectors. Mr. How attained a Diploma in Business Studies from PSB Academy, Singapore.

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### MS. TRACIE TAN

*Financial Controller*

Ms. Tan, appointed as the Financial Controller on 17 February 2023, oversees the financial and accounting aspects of the Group. She manages the finance department, ensuring the delivery of timely and accurate financial reporting and implementation of accounting policies.

Ms. Tan has over 30 years of professional experience in accounting, finance and administration garnered in private and public listed companies. She previously worked in Singapore listed company or subsidiary of Singapore listed company such as Hatten Land Limited, Amtek Engineering Ltd and Heatec Jietong Pte Ltd.

Ms. Tan holds a Diploma in LCCI Accounting from London Chamber of Commerce and Industry.

# 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 2023 (“**FY2023**”), 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 provisions of the Code, 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
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### 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 <sup>(1)</sup>	Executive Director	22 February 2021	27 April 2023
Ms. Tang Zhengming	Executive Director	1 March 2024	N.A.
Mr. Chong Heng Loong <sup>(1)</sup>	Executive Director and Chief Executive Officer	2 October 2023	N.A.
Mr. Chua Ser Miang <sup>(1)</sup>	Non-Executive Chairman and Lead Independent Director	29 December 2020	29 April 2022
Mr. Gavin Mark McIntyre <sup>(1)</sup>	Independent Non-Executive Director	21 February 2017	27 April 2023
Ms. Lee Kim Lian, Juliana <sup>(1)</sup>	Independent Non-Executive Director	29 December 2020	29 April 2022
Mr. Ong Choon Yi	Independent Non-Executive Director	15 November 2023	N.A.
Mr. Thomas Chun Pai	Non-Executive Non-Independent Director	21 November 2023	N.A.

#### Note:

- (1) Mr. Lim Beng Chew, Mr. Chong Heng Loong, Mr. Chua Ser Miang, Mr. Gavin Mark McIntyre and Ms. Lee Kim Lian, Juliana will not be seeking re-appointment at the forthcoming Annual General Meeting (“**AGM**”) and will accordingly retire from office as Directors of the Company after the conclusion of the AGM.

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.

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<p>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. A Director who is 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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• providing leadership, and setting strategic objectives, which include appropriate focus on value creation, innovation and sustainability;</li> <li>• ensuring that the necessary resources are in place for the Company to meet its strategic objectives;</li> <li>• establishing and maintaining a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and performance;</li> <li>• constructively challenging Management and reviewing its performance;</li> <li>• instilling an ethical corporate culture and ensuring that the Company's values, standards, policies and practices are consistent with the culture; and</li> <li>• ensuring transparency and accountability to key stakeholder groups.</li> </ul>
Provision 1.2		<p>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. They are also required to attend the prescribed training courses as required by the Singapore Exchange Regulation Pte. Ltd. ("SGX RegCo") to equip themselves with the necessary corporate governance knowledge as a director of a Singapore listed company.</p> <p>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. The list of trainings attended by our Directors in FY2023 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.</p>

# 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"> <li>■ Audit and Risk Committee Seminar 2023</li> </ul>
Ms. Lee Kim Lian, Juliana	<ul style="list-style-type: none"> <li>■ AML/CFT Year 2023</li> <li>■ International Conference on ESG and Climate Governance</li> <li>■ Asia Pacific Energy Capital assembly 2023</li> <li>■ Asia Pacific Board Leadership Centre Webinar – 2023 Board and Audit Committee Practices</li> <li>■ Certified Sustainable Development Manager Executive Program</li> <li>■ SID CTP-3 – Remuneration and ESG: Executive Pay and Beyond</li> </ul>
Mr. Chua Ser Miang	<ul style="list-style-type: none"> <li>■ Securities Related Regulations</li> <li>■ Ethics and Conflicts of Interests</li> <li>■ Fit &amp; Proper Requirements for Appointed SFA / FAA Representatives</li> <li>■ Accountability and Professional Conduct</li> <li>■ Cybersecurity Awareness for Financial Services</li> <li>■ AML Regulations</li> </ul>
Mr. Chong Heng Loong	<ul style="list-style-type: none"> <li>■ SFA Regulatory Seminar</li> <li>■ Crypto Regulation in EU</li> <li>■ Tokenisation Webinar</li> <li>■ ISSB Standards: Advising ESG Executive Reporting</li> <li>■ Shaping the future of Financial System: A deep Dive into Crypto Opportunities for Institutions</li> </ul>

In FY2023, Mr. Ong Choon Yi was appointed as Independent Non-Executive Director of the Company on 15 November 2023 while Mr. Thomas Chun Pai was appointed as Non-Executive Non-Independent Director of the Company on 21 November 2023.

Ms. Tang Zhengming was appointed as Executive Director of the Company on 1 March 2024.

Mr. Ong Choon Yi, Mr. Thomas Chun Pai and Ms. Tang Zhengming were given the appointment letters, stating among other matters, the roles, obligations, duties and responsibilities as a member of the Board.

Mr. Ong Choon Yi, Mr. Thomas Chun Pai and Ms. Tang Zhengming will attend and complete the mandatory training on his or her roles and responsibilities as a director within one year from their respective appointment dates.

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
Provision 1.3		<p>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:</p> <ul style="list-style-type: none"> <li>• significant acquisitions and disposals of assets;</li> <li>• material borrowings and fund-raising exercises;</li> <li>• share issuance and proposal of dividends;</li> <li>• financial results announcements, annual report and audited financial statements; and</li> <li>• material interested person transactions.</li> </ul>

Provision 1.4		<p>The Board has delegated certain responsibilities to the Audit Committee (the "<b>AC</b>"), the Remuneration Committee (the "<b>RC</b>") and the Nominating Committee (the "<b>NC</b>") (collectively, the "<b>Board Committees</b>") with clearly defined terms of reference.</p>
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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

As mentioned above in this Annual Report, Mr. Chua Ser Miang, Mr. Gavin Mark McIntyre and Ms. Lee Kim Lian, Juliana will not be seeking re-appointment at the forthcoming AGM and will accordingly retire from office as Directors of the Company after the conclusion of the AGM.

Pursuant to Rule 704(7) of Catalist Rules and Section 210B(4) of the Companies Act 1967 of Singapore (the "**Act**"), the Company is required to fill the vacancy in the AC (such that the AC comprises at least three members) within two (2) months, but in any case not later than three (3) months from the date of the upcoming AGM. The Company is currently in search of suitable candidates so as to comply with the Catalist Rules, the Act and the Code. The Board will provide the necessary update in due course.

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.



# CORPORATE GOVERNANCE REPORT

## Principle/ Provision

### Code Description

### Company's compliance or explanation

#### Provision 1.5

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
<b>No. of meetings held</b>	3	7	1	3
<b>Directors and the CEO</b>	<b>Number of Meetings attended</b>			
Mr. Lim Beng Chew	3	2 <sup>(1)</sup>	1 <sup>(1)</sup>	1 <sup>(1)</sup>
Mr. Chua Ser Miang	3	7	1	3
Mr. Gavin Mark McIntyre	3	7	1	3
Ms. Lee Kim Lian, Juliana	3	7	1	3
Mr. Chong Heng Loong <sup>(2)</sup>	3 <sup>(1)</sup>	7 <sup>(1)</sup>	1 <sup>(1)</sup>	3 <sup>(1)</sup>
Mr. Ong Choon Yi <sup>(2)</sup>	—	—	—	—
Mr. Thomas Chun Pai <sup>(2)</sup>	—	—	—	—
Ms. Tang Zhengming <sup>(2)</sup>	—	—	—	—

#### Note:

- (1) Attendance by invitation.
- (2) Mr. Chong Heng Loong, Mr. Ong Choon Yi, Mr. Thomas Chun Pai and Ms. Tang Zhengming were appointed as Directors of the Company on 2 October 2023, 15 November 2023, 21 November 2023 and 1 March 2024, respectively.

#### 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:

<b>Types of Information Provided by Key Management Personnel to Directors</b>		
	<b>Information</b>	<b>Frequency</b>
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.

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
Provision 1.7		<p>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:</p> <ul style="list-style-type: none"> <li>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 Catalist Rules, are complied with;</li> <li>assisting the Chairman and the Board to implement and strengthen corporate governance practices, with a view to enhancing long-term shareholder value;</li> <li>assisting the Chairman to ensure good information flows within the Board and its committees and key management personnel;</li> <li>assisting in designing and implementing a framework for key management personnel's compliance with the Catalist Rules, including timely disclosure of material information;</li> <li>attending and preparing minutes for all Board meetings;</li> <li>coordination and liaison between the Board, the Board Committees and key management personnel; and</li> <li>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.</li> </ul> <p>The appointment and the removal of the Company Secretary are subject to the approval of the Board.</p> <p>Under the direction of the Chairman, the Company Secretary, with the support of Management staff, ensures good information flow, within the Board and Board Committees and between the Management and non-executive directors, while advising the Board on all governance matters as well as facilitating orientation of new directors and assisting with professional development whenever required.</p> <p>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.</p>

## **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 eight (8) Directors, of whom four (4) are Independent Directors, one (1) is Non-Executive Non-Independent Director and three (3) Executive Directors. Non-Executive Directors make up majority of the Board.

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<p>As at the date of this Annual Report, Mr. Chua Ser Miang is the Independent 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.</p> <p>As mentioned above, Mr. Chua will retire at the forthcoming AGM and subsequent to his retirement, he will relinquish his position as the Independent Non-Executive Chairman and Lead Independent Director. The Company will identify and appoint the Chairman of the Board in due course.</p> <p>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 Independent Directors provide guidance to the Management on business issues and in areas which they specialize in. They also provide independent judgement during the Board meetings.</p> <p>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.</p> <p>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.</p> <p>The current Board composition meets the targets set under the Board Diversity Policy and reflects the Company's commitment to Board diversity in terms of different professional experiences, skills, knowledge and gender.</p> <p>The current Board composition provides a diversity of skills, experience and knowledge, and gender to the Company as follows:</p>
Provision 2.4		

Balance and Diversity of the Board	Number of Directors	Proportion of Board
<b>Core Competencies</b>		
- Accounting or finance	5	63%
- Business management	6	75%
- Legal or corporate governance	4	50%
- Relevant industry knowledge or experience	2	25%
- Strategic planning experience	5	63%
- Customer based experience or knowledge	3	38%
<b>Gender</b>		
- Male	6	75%
- Female	2	25%

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<p>Accordingly, taking into consideration the nature and scope of the Group's operations and the changes in the Board on the conclusion of the forthcoming AGM (details as set out above), the NC and Board are of the view that the size and composition of the Board following the said changes are effective for decision making. The NC and the Board also acknowledge 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.</p> <p>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.</p> <p>During Board meetings, the Management also updates the Directors on the latest developments of the Group and its future plans. Unless VCP did variance analysis of forecast nos agst the yearly budget. If not, is not factual. Forecast financials are also presented to enable the Directors to assess the performance of the Group.</p>
Provision 2.5		<p>Whenever necessary, the Independent Directors will meet among themselves without the presence of Management and the chairman of such meeting will provide feedback to the Board as appropriate.</p> <p>The Independent Directors met and discussed in the absence of key management personnel as required in FY2023.</p>
<b><u>Chairman and Chief Executive Officer</u></b>		
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 Independent Non-Executive Chairman of the Board and Mr. Chong Heng Loong is the Executive Director and 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> <p>The Board notes that Mr. Chua Ser Miang and Mr. Chong Heng Loong will not be seeking re-appointment at the forthcoming AGM. The former will retire from office as Independent Non-Executive Chairman and the latter as Executive Director and Chief Executive Officer of the Company after the conclusion of the AGM. Subsequent to their retirement, Ms. Tang Zhengming as Executive Director will assume the duties and responsibilities of Mr Chong Heng Loong. The Company will identify and appoint the Chairman of the Board in due course.</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 Executive Director and key management, 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>

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<p>The Executive Director and/or CEO takes a leading role in managing the business of the Group and manages the day-to-day operations, with the assistance of the key management personnel. He/She 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>
<b><u>Board Membership</u></b>		
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. As at the date of this Annual Report, 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 and taking into account the reconstitution of the Board on the conclusion of the forthcoming AGM (details as set out above), the Board, in concurrence with the NC, believes that board size and composition of the Board Committees following the said reconstitution effectively serve the Group and provide sufficient diversity without interfering with efficient decision-making.
Provision 4.1		<p>The terms of reference of the NC include, inter alia, the following:</p> <ul style="list-style-type: none"> <li>to review the succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO where applicable and key management personnel;</li> <li>to review the training and professional development programmes for the Board and its directors;</li> <li>to review and approve the appointment and re-appointment of directors (including alternate directors, if any);</li> <li>to review and approve any new employment of related persons and proposed terms of their employment;</li> <li>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;</li> <li>to determine on an annual basis whether a Director is independent;</li> <li>to decide whether or not a director is able to and has been adequately carrying out his duties as a Director; and</li> <li>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.</li> </ul>



# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
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"> <li>• expected and/or competing time commitments of Directors;</li> <li>• geographical location of Directors;</li> <li>• size and composition of the Board; and</li> <li>• nature and scope of the Group's operations and size.</li> </ul> <p>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 FY2023.</p> <p>As at the date of the report, the Company does not have any alternate Director.</p>
Provision 4.3		<p>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:</p>

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.

# CORPORATE GOVERNANCE REPORT

## Principle/ Provision

## Code Description

## Company's compliance or explanation

The Board is also advised by the Sponsor on appointment of 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-election of 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.  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.

## 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, Mr. Gavin Mark McIntyre and Mr. Ong Choon Yi 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 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 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.

Mr. Ong Choon Yi, Mr. Thomas Chun Pai and Ms. Tang Zhengming are subjected to retirement at the forthcoming AGM pursuant to the provisions of the Constitution of the Company and/or Catalist Rules.

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<p>The NC has assessed independently on the continued appointments of Mr. Ong Choon Yi, Mr. Thomas Chun Pai and Ms. Tang Zhengming and recommended their continued appointments to the Board, and the Board has endorsed their re-election by shareholders at the forthcoming AGM. The abovementioned directors have offered themselves for re-election as Directors of the Company.</p> <p>Ms. Tang Zhengming will, upon re-election as Director of the Company, remain as Executive Director of the Company and will be a member of the NC with effect from 26 April 2024 (after the conclusion of the AGM).</p> <p>Mr. Ong Choon Yi will, upon re-election as Director of the Company, remain as Independent Director of the Company, and will be the Chairman of the AC, NC and RC with effect from 26 April 2024 (after the conclusion of the AGM). Mr. Ong does not have any relationship including immediate family relationship with other Directors, the Company or its substantial shareholders (as defined in the Code). The Board considers Mr. Ong to be independent for the purposes of Rule 704(7) of the Catalist Rule.</p> <p>Mr. Thomas Chun Pai will, upon re-election as Director of the Company, remain as Non-Independent Non-Executive Director of the Company, and will be a member of the AC, NC and RC with effect from 26 April 2024 (after the conclusion of the AGM). Mr. Pai does not have any relationship including immediate family relationship with other Directors, the Company or its substantial shareholders (as defined in the Code). The Board considers Mr. Pai not independent for the purposes of Rule 704(7) of the Catalist Rule.</p> <p>As stated above, Mr. Lim Beng Chew, Mr. Chong Heng Loong, Mr. Chua Ser Miang, Mr. Gavin Mark McIntyre and Ms. Lee Kim Lian, Juliana will not be seeking re-appointment at the forthcoming AGM and will accordingly retire at the forthcoming AGM. Consequently, Mr. Chong will cease to be the Executive Director and CEO of the Company, Mr. Chua will cease to be the Independent Non-Executive Chairman and Lead Independent Director, Chairman of the RC and member of AC and NC, Mr. McIntyre will cease to be the Independent Non-Executive Director, Chairman of the AC and member of the NC and RC, and Ms. Lee will cease to be the Independent Non-Executive Director, Chairman of the NC and member of the AC and RC.</p>

## **Board Performance**

Principle 5	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 5.1		
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.

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<p>To assess the effectiveness of the Board as a whole, the factors evaluated by the NC include but are not limited to:</p> <ul style="list-style-type: none"> <li>the size and composition of the Board;</li> <li>the discussion and decision-making processes of the Board (including the conduct of meetings by the Board);</li> <li>the Board's access to information;</li> <li>the accountability of the Board to the shareholders;</li> <li>the observation of risk management and internal control policies by the Board's</li> <li>access to information; and</li> <li>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).</li> </ul> <p>To assess the contribution of each individual Director, the factors evaluated by the NC include but are not limited to:</p> <ul style="list-style-type: none"> <li>his/her participation at the meetings of the Board;</li> <li>his/her ability to constructively challenge and contribute effectively to the discussion conducted by the Board;</li> <li>his/her ability to evaluate the Company's strength and weaknesses and make informed business decisions;</li> <li>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;</li> <li>his/her compliance with the policies and procedures of the Group;</li> <li>his/her performance of specific tasks delegated to him/her;</li> <li>his/her disclosure of any related person transactions or conflicts of interest; and</li> <li>for independent Directors, his/her independence from the Group and the Management.</li> </ul> <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 FY2023.</p>

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
<b>REMUNERATION MATTERS</b>		
<b><u>Procedures for Developing Remuneration Policies</u></b>		
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. As at the date of this Annual Report, the RC comprises three (3) Directors, all of whom are independent.
Provision 6.1; 6.2; 6.3		<p>The terms of reference of the RC include, inter alia, the following:</p> <ul style="list-style-type: none"><li>to review and recommend to the Board a general framework of remuneration and specific remuneration packages for each Director and key management personnel;</li><li>to review and approve the remuneration of the non-executive directors of our subsidiaries;</li><li>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</li><li>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.</li></ul>
Provision 6.4		No remuneration consultants were engaged by the Company in FY2023.
<b><u>Level and Mix of Remuneration</u></b>		
Principle 7	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 7.1		
Provision 7.3		<p>The remuneration of the Executive Directors 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 other long-term incentive schemes.</p> <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 27 April 2023.</p>
Provision 7.2		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 Annual General Meeting. In reviewing the recommendation for independent non-executive directors' fees for FY2023, 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.



# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
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From time to time where appropriate and at the renewal of the service agreements of directors and relevant key management personnel, 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.

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.

## 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 FY2023 is as follows:

Name	Remuneration (\$\$)	Salary (%) <sup>(1)</sup>	Bonus (%)	Share Award (%)	Director's Fees (%)	Total (%) <sup>(2)</sup>
Mr. Gavin Mark McIntyre	35,000	–	–	–	100	100
Mr. Chua Ser Miang	35,000	–	–	–	100	100
Ms. Lee Kim Lian, Juliana	35,000	–	–	–	100	100
Mr. Lim Beng Chew	113,974	100	–	–	–	100
Mr. Chong Heng Loong <sup>(2)</sup>	316,444	78	–	22	–	100
Mr. Ong Choon Yi <sup>(2)</sup>	–	–	–	–	–	–
Mr. Thomas Chun Pai <sup>(2)</sup>	–	–	–	–	–	–

### 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) Mr. Chong Heng Loong, Mr. Ong Choon Yi and Mr. Thomas Chun Pai were appointed as Directors of the Company on 2 October 2023, 15 November 2023 and 21 November 2023, respectively. Mr. Chong Heng Loong is the Company's CEO prior to his appointment as a Director of the Company.

There were no termination, retirement and post-employment benefits that were granted to Directors and key management personnel in FY2023.

# CORPORATE GOVERNANCE REPORT

## Principle/ Provision

## Code Description

## Company's compliance or explanation

In FY2023, the Company had three key management personnel (who is not a Director or the CEO). The breakdown for the remuneration of the Company's key management personnels (who are not Directors or the CEO) in FY2023 is as follows:

Name	Salary (%) <sup>(1)</sup>	Bonus (%)	Total (%)
<b>Below S\$250,000</b>			
Cedric Yap <sup>(2)</sup>	100	-	100
How Yi Fatt <sup>(2)</sup>	100	-	100
Tan Lee Mui <sup>(3)</sup>	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) In September 2023, Mr. How was appointed as interim Head of APEC Solutions while Mr. Yap's role was redefined to focus on marketing and project management matters in APEC Solutions.
- (3) Ms. Tracie Tan was appointed as the Company's Financial Controller on 17 February 2023. Prior to this, she was the accountant of the Group since February 2022.

The total remuneration paid to the key management personnels above in FY2023 was approximately S\$198,980.

There was no employee of the Group who was an immediate family member of a Director or the CEO, or substantial shareholders in FY2023.

## Provision 8.3

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 27 April 2023. The Performance Share Plan is administered by the Remuneration Committee and contemplates the award of fully paid shares, free of charge, or when 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 Mr Chong Heng Loong, 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. As at the date of this Annual Report, two tranches amounting to 17,500,000 shares have been allotted. The final third tranche will not vest given that Mr Chong will be stepping down as Executive Director and CEO at the forthcoming AGM.

Further information on the Performance Share Plan is set out on pages 48 to 51 of this Annual Report.

# CORPORATE GOVERNANCE REPORT

## Principle/ Provision

## Code Description

## Company's compliance or explanation

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. 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.

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
<b>Executive Directors</b>		
<b>Qualitative</b>	1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices	1. Commitment 2. Current market and industry practices
<b>Quantitative</b>	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	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
<b>Management Personnel</b>		
<b>Qualitative</b>	1. Leadership 2. People development 3. Commitment 4. Teamwork 5. Current market and industry practices	1. Commitment 2. Current market and industry practices
<b>Quantitative</b>	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	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 FY2023.

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
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## ACCOUNTABILITY AND AUDIT

### Risk Management and Internal Controls

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 2023, 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> <p>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 FY2023.</p>
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# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
Provision 9.2		<p>The bases for the views of the Board and AC are as follows:</p> <ul style="list-style-type: none"> <li>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;</li> <li>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; and</li> <li>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.</li> </ul> <p>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.</p> <p>Tricor Axcelasia has been the internal auditor of the Company since 2017. The Company intends to appoint another firm as the outsourced internal auditor of the Company for FY2024 internal audit exercise.</p>
<b><u>Audit Committee</u></b>		
Principle 10	The Board has an AC which discharges its duties objectively.	Please refer to the table in Principle 1 on the names of the members and the composition of the AC. As at the date of this Annual Report, the AC comprises three (3) Directors, all of whom are independent.
Provision 10.2		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.
Provision 10.3		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.
Provision 10.1		<p>The terms of reference of the AC include, inter alia, the following:</p> <ul style="list-style-type: none"> <li>to assist the Board in the discharge of its responsibilities on financial reporting matters;</li> <li>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;</li> </ul>

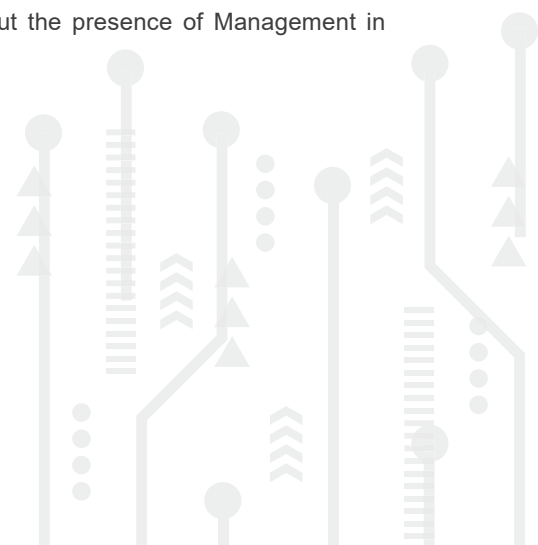
# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<ul style="list-style-type: none"> <li>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;</li> <li>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 concerns, 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);</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>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);</li> <li>to review any potential conflict of interest;</li> <li>to review and approve all hedging policies and instruments (if any) to be implemented to our Group;</li> <li>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;</li> <li>to review the assurance from the CEO and the FC on the financial records and financial statements;</li> <li>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</li> <li>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.</li> </ul>



# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
		<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 <a href="mailto:whistleblowing@vcplus.sg">whistleblowing@vcplus.sg</a> 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 FY2023.</p> <p>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.</p>
Provision 10.5		<p>Annually, the AC meets (physically or via electronic means) separately with the external auditor ("EA") and the IA without the presence of Management.</p> <p>The audit fees paid or payable to the EA for FY2023 amounted to S\$88,000. There were no non-audit services rendered during FY2023. The AC, having reviewed the scope and value of the audit services provided by the external auditor, is satisfied that the independence and objectivity of the external auditor is not impaired. Accordingly, the AC recommended re-appointment of Nexia Singapore PAC as the external auditor for the financial year ending 31 December 2024 at the forthcoming AGM.</p> <p>The AC had met the EA and IA without the presence of Management in FY2023.</p>



# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
Provision 10.4		<p>During FY2023, 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.</p> <p>Tricor Axcelasia has been the internal auditor of the Company since 2017. The Company intends to appoint another firm as the outsourced internal auditor of the Company for FY2024 internal audit exercise. An exit interview with Tricor Axcelasia was conducted by AC together with Management in FY2024 to conclude outstanding internal audit observations.</p>

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### Shareholder Rights and Conduct of General Meetings

Principle 11 Provision 11.1	<p>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.</p>	<p>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.</p> <p>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 at the general meeting of shareholders and via SGXNET.</p>
Provision 11.2		<p>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.</p>

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation																				
Provision 11.3		<p>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 FY2023 are reflected in the table below:</p> <table><tr><th>Name of Director</th><th>General Meeting(s)</th></tr><tr><td>Number of meetings held:</td><td>1</td></tr><tr><td colspan="2">Number of meetings attended:</td></tr><tr><td>Mr. Gavin Mark McIntyre</td><td>1</td></tr><tr><td>Mr. Chua Ser Miang</td><td>1</td></tr><tr><td>Ms. Lee Kim Lian, Juliana</td><td>1</td></tr><tr><td>Mr. Lim Beng Chew</td><td>1</td></tr><tr><td>Mr. Chong Heng Loong <sup>(1)</sup></td><td>1</td></tr><tr><td>Mr. Ong Choon Yi <sup>(1)</sup></td><td>—</td></tr><tr><td>Mr. Thomas Chun Pai <sup>(1)</sup></td><td>—</td></tr></table>	Name of Director	General Meeting(s)	Number of meetings held:	1	Number of meetings attended:		Mr. Gavin Mark McIntyre	1	Mr. Chua Ser Miang	1	Ms. Lee Kim Lian, Juliana	1	Mr. Lim Beng Chew	1	Mr. Chong Heng Loong <sup>(1)</sup>	1	Mr. Ong Choon Yi <sup>(1)</sup>	—	Mr. Thomas Chun Pai <sup>(1)</sup>	—
Name of Director	General Meeting(s)																					
Number of meetings held:	1																					
Number of meetings attended:																						
Mr. Gavin Mark McIntyre	1																					
Mr. Chua Ser Miang	1																					
Ms. Lee Kim Lian, Juliana	1																					
Mr. Lim Beng Chew	1																					
Mr. Chong Heng Loong <sup>(1)</sup>	1																					
Mr. Ong Choon Yi <sup>(1)</sup>	—																					
Mr. Thomas Chun Pai <sup>(1)</sup>	—																					
		<p><b>Note:</b></p> <p>(1) Mr. Chong Heng Loong, Mr. Ong Choon Yi and Mr. Thomas Chun Pai were appointed as Directors of the Company on 2 October 2023, 15 November 2023 and 21 November 2023, respectively. Mr. Chong Heng Loong is the Company's CEO prior to his appointment as a Director of the Company.</p>																				
Provision 11.4		<p>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 satisfactorily resolved.</p>																				
Provision 11.5		<p>The Company publishes the minutes of all general meetings of shareholders on its corporate website and SGX within one month from the date of the meetings. 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.</p>																				
Provision 11.6		<p>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.</p> <p>The Board has not declared or recommended any dividend for FY2023, as the Group does not have profits available for the declaration of a dividend.</p>																				

# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
<b><u>Engagement with Shareholders</u></b>		
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.	<p>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.</p> <p>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.</p>
Provision 12.2; 12.3		<p>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.</p> <p>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.</p> <p>Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website at <a href="http://www.vcplus.sg">www.vcplus.sg</a>.</p> <p>Notwithstanding that the Company does not have a dedicated investor relations team or investor relations policy. Ms. Tang Zhengming, the Executive Director of the Company, is responsible for the Company's communication with shareholders. Shareholders and investors who have questions may reach out to Ms. Tang at <a href="mailto:enquiry@vcplus.sg">enquiry@vcplus.sg</a>. 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.</p>

## 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 on 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. Further details can be found in the Company's sustainability report in this Annual Report FY2023.
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# CORPORATE GOVERNANCE REPORT

Principle/ Provision	Code Description	Company's compliance or explanation
Provision 13.3		Stakeholders who wish to know more about the Group and the business and governance practices can visit the Company's corporate website at <a href="http://www.vcplus.sg">http://www.vcplus.sg</a> . The website includes an investor relations section containing the Company's share price, corporate announcements and annual reports, as well as a sustainability section containing the Board Statement and sustainability reports.

## 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 ("<b>ESG Factors</b>") 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>In May 2022, the Company exited the granite mining business. Since then, the Company's business comprises the FinTech Business and FY2023 was the Group's first full year of operations solely as a FinTech and digital assets company. The FinTech Business generally has lesser adverse impacts on the environment as compared to the mining business.</p> <p>The Group has continued its ESG factors assessment during FY2023. The assessment process takes reference from Global Reporting Initiative Standards ("<b>GRI Standards</b>") reporting guidelines.</p> <p>Disclosure on the material ESG factors identified and assessed during FY2023 has been made with reference to the GRI Standards framework.</p> <p>The Group currently is not materially exposed to climate-related risks or opportunities due to the nature of its business and we will monitor any emerging climate-related risks or opportunities as the Group's business evolves. We are currently in the process of implementing mandatory climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures ("<b>TCFD</b>"). We will report on our progress and will align our disclosure with the TCFD recommendations for our sustainability report in accordance with the timeline prescribed by SGX-ST.</p> <p>Please refer to the sustainability report which has been incorporated in this Annual Report FY2023.</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 FY2023 or if not then subsisting, entered into since the end of the previous financial year.

# CORPORATE GOVERNANCE REPORT

Catalist Rule	Rule Description	Company's Compliance or Explanation
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 FY2023 based on the following:</p> <ul style="list-style-type: none"> <li>• internal controls procedures established by the Company;</li> <li>• works performed by the IA and EA during FY2023;</li> <li>• assurance from the CEO and the FC; and</li> <li>• reviews done by the various Board Committees and key management personnel.</li> </ul>
1204(10C)	AC's comment on internal audit function	<p>The AC reviews 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 ("<b>Mr. Singh</b>").</p> <p>Mr. Singh has been a Chartered Member of the Institute of Internal Auditors ("<b>IIA</b>") 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 2019. 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 ("<b>ACIIA</b>") 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 (" <b>IPT</b> ")	<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>There was no disclosable IPTs in FY2023.</p> <p>The Company does not have a general mandate from its shareholders for IPTs.</p>
1204(19)	Dealing in Securities	<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>

# CORPORATE GOVERNANCE REPORT

Catalist Rule	Rule Description	Company's Compliance or Explanation
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 FY2023, there were no non-sponsor fees paid to UOBKH.</p>
1204(22)	Use of Proceeds	<p>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.</p> <p>As at the date of this Annual Report, the proceeds have been fully utilised as follows:</p>

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	668	—
Working capital including, <i>inter alia</i> , professional fees, staff salaries and general overheads	1,002	1,002	—
Total	1,670	1,670	—

The proceeds were utilised in accordance with its intended use.

The Company had on 7 February 2024 issued 200,000,000 new ordinary shares in respect of the subscription of the Company's shares by the investor in accordance with the placement and call option agreement dated 30 January 2024. The Company has raised net proceeds of approximately S\$0.56 million from the allotment and issuance of 200,000,000 Shares. As at 31 March 2024, the proceeds have been utilised as follows:

Purpose	Amount allocated S\$'000	Amount utilised S\$'000	Balance S\$'000
Working capital including, <i>inter alia</i> , professional fees, staff salaries and general overheads	560	288	272
Total	560	288	272

The proceeds were utilised in accordance with its intended use.



## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Ong Choon Yi, Mr. Thomas Chun Pai and Ms. Tang Zhengming are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on Friday, 26 April 2024 at 10.00 a.m., ("AGM") (collectively, the "Retiring Directors" and each a "Retiring Director").

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

Name of Person	Ong Choon Yi	Thomas Chun Pai	Tang Zhengming
Date of Appointment	15 November 2023	21 November 2023	1 March 2024
Date of Last Re-Appointment	N.A.	N.A.	N.A.
Age	41	64	50
Country of principal residence	Singapore	China	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. Ong Choon Yi for re-appointment as Independent Director of the Company. The Board has reviewed and concluded that Mr. Ong Choon Yi 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. Thomas Chun Pai for re-appointment as Non-Executive Director of the Company. The Board has reviewed and concluded that Mr. Pai 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 Ms. Tang Zhengming for re-appointment as Executive Director of the Company. The Board has reviewed and concluded that Ms. Tang 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	Non-Executive	Non-Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of the AC, NC and RC	Non-Executive Non-Independent Director, member of the AC, NC and RC	Ms. Tang is responsible for formulating corporate strategies and business development for the Company and the Group. She will also oversee business collaboration initiatives to grow the businesses of the Group.  Executive Director, member of the NC

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Ong Choon Yi	Thomas Chun Pai	Tang Zhengming
Academic qualifications	Diploma of Building & Real Estate Management - Ngee Ann Polytechnic, 2003 Certificates of CMFAS M1A, M5, M6 - Institute of Banking And Finance, 2007	Master of Science in Accounting – The California State University, United States, 1991. Bachelor of Art, Russian Language – Chinese Culture University, Taiwan, 1981.	Degree of Executive Master of Business Administration, National University of Singapore, 2018.
Working experience and occupation(s) during the past 10 years	- March 2007 - Present Maybank Securities Pte Ltd Position held: Vice President, Equities sales	- February 2021 - present Hong Kong Garland Commercial Management Co., Ltd. Position held: Director (non statutory) - May 2020 - December 2020 Honglicheng Commercial Management Co., Ltd. Position held: Chief Financial Officer - August 2018 – February 2019 Omnibridge Holdings Limited, listed on HKEX (Stock code: 8462) Position held: Director - January 2017 – May 2018 Guangzhou Carabao Energy Drink Co., Ltd. Position held: Managing Director - January 2012 – January 2017 Independent business consultant serving various industries in the field of production, marketing and finance.	- September 2006 - September 2016 Sopel International Pte. Ltd. Position held: Director - April 2006 - September 2016 Japan C & A (Singapore) Pte. Ltd. Position held: Director - April 2005 - September 2016 Added International (S) Pte. Ltd. Position held: Co-founder & General Manager - February 2005 - September 2016 Jiahe Foods Industry Co., Ltd. Position held: Vice General Manager
Shareholding interest in the listed issuer and its subsidiaries	No	No	200,000,000 ordinary shares and 370,000,000 options

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Ong Choon Yi	Thomas Chun Pai	Tang Zhengming
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	No
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in <u>Appendix 7H</u> ) under <u>Rule 720(1)</u> has been submitted to the listed issuer	Yes	Yes	Yes
* "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)			
Past (for the last 5 years)	Easy Safety Supply Pte. Ltd. Hope Fount Pte. Ltd. (previously known as 3P Partners Pte. Ltd.)	Omnibridge Holdings Limited	Nil
Present	Lumel Pte. Ltd.	Nil	GTZM Investment Pte. Ltd. Cici Pte. Ltd. United World Preschool Pte. Ltd. Goh Loo Club Limited APEC Solutions Pte. Ltd. CPlus Digital Pte. Ltd. Clikz Pte. Ltd.
(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	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Ong Choon Yi	Thomas Chun Pai	Tang Zhengming
(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	No	No
(c) Whether there is any unsatisfied judgment against him?	No	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	No
(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	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person		Ong Choon Yi	Thomas Chun Pai	Tang Zhengming
(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	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	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	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	No	No

# ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Ong Choon Yi	Thomas Chun Pai	Tang Zhengming
<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	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	No



## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Person	Ong Choon Yi	Thomas Chun Pai	Tang Zhengming
Any prior experience as a director of a listed company?			
If yes, please provide details of prior experience.	Not applicable.	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. Ong is nominated for re-election to the Board.	Mr. Pai is nominated for re-election to the Board.	Ms. Tang 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).			

# 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 2023 and the statement of financial position of the Company as at 31 December 2023.

## 1. Opinion of the Directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the financial statement 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 2023 and 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, 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	
Chong Heng Loong	(appointed on 2 October 2023)
Gavin Mark McIntyre	
Juliana Lee Kim Lian	
Lim Beng Chew	
Ong Choon Yi	(appointed on 15 November 2023)
Thomas Chun Pai	(appointed on 21 November 2023)
Tang Zhengming	(appointed on 1 March 2024)

## 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.

## 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		
	At the beginning of financial year/date of appointment	At the end of financial year	As at 21 January 2024	At the beginning of financial year/date of appointment	At the end of financial year	As at 21 January 2024
<b>Ordinary shares of the Company</b>						
Lim Beng Chew	1,234,452,015	1,234,452,015	1,234,452,015	—	—	—
Chong Heng Loong	8,750,000	8,750,000	17,500,000	—	—	—

# DIRECTORS' STATEMENT

## 5. Share options and share plans

Other than as disclosed below:

- (a) There were no share options granted by the Company or its subsidiary corporations during the financial year to subscribe for unissued shares of the Company.
- (b) 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.
- (c) There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

### Performance Share Plan ("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 and the Company at reporting date, 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 subsequently allotted on 3 January 2023. The second tranche of 8,750,000 ordinary shares vested on 30 December 2023 and subsequently allotted on 3 January 2024.

As at 31 December 2023, the remaining number of contingent shares awarded but not released pursuant to the PSP was 8,750,000. The final tranche will not be vested on 30 December 2024, as the conditions will not be met.

Pursuant to an Extraordinary General Meeting of the Company held on 22 September 2015, the Anchor PSP was established.

The PSP is administered by the Remuneration Committee with such powers and duties conferred to it by the Board. 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 members of the Remuneration Committee as at the date of this statement are:

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

The salient features of the PSP are 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 are 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.

# DIRECTORS' STATEMENT

## 5. Share options and share plans (continued)

### Performance Share Plan ("PSP") (continued)

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.

#### *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.

# DIRECTORS' STATEMENT

## 5. Share options and share plans (continued)

### Performance Share Plan ("PSP") (continued)

#### *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.

#### *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 casted.

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

# DIRECTORS' STATEMENT

## 5. Share options and share plans (continued)

### Share Options

On 30 January 2024, the Company entered into a Placement and Call Option Agreement with Ms Tang Zhengming (a) to subscribe for an aggregate of 200,000,000 new Shares ("Placement Shares") at S\$0.003 for each Placement Shares and (b) the Company has granted 370,000,000 new Shares ("Option Shares") for a cash consideration of S\$1,110,000 ("Option Consideration") for the option exercise price of S\$0.003 per Option Share ("Option Exercise Price"). The Option Shares may be exercised at any time within one year after 30 January 2024. Ms Tang Zhengming is subsequently appointed as Company's director on 1 March 2024.

## 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-year 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 Catalyst 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.

The Audit Committee has recommended to the Board that Nexia Singapore PAC, Public Accountants and Chartered Accountants, be nominated for re-appointment at the forthcoming annual meeting.



# DIRECTORS' STATEMENT

## 7. Independent auditors

The independent auditors, Nexia Singapore PAC, Public Accountants and Chartered Accountants, have expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

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Tang Zhengming  
Director

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Ong Choon Yi  
Director

9 April 2024

# 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 statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

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 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the 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 *Auditor's 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.

### Material Uncertainty Related to Going Concern

We draw attention to Note 4 to the financial statements, which indicates that the Group incurred a net loss of S\$2,186,000 and recorded net cash used in operating activities of S\$1,670,000 for the financial year ended 31 December 2023. As at 31 December 2023, the Group and the Company has net current liabilities of S\$534,000 and S\$452,000 respectively.

The ability of the Group and the Company to continue as going concerns and to meet its obligations for the next twelve months from the authorisation of the financial statements, is dependent on the Group's and the Company's ability to generate sufficient cash flows from its operations and other sources.

These indicates the existence of a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as going concerns and to realise its assets and discharge its liabilities in the ordinary course of business. Our opinion is not modified in respect of this matter.



# INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

## 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. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How the matter was addressed in the audit
<p><b>Valuation of goodwill</b></p> <p>We refer to Note 2.3(b)(i), Note 3.4 and Note 6 to the consolidated financial statements.</p> <p>As at 31 December 2023, the carrying amount of goodwill arising from the acquisition of APEC Solutions Pte. Ltd. amounted to S\$2,127,000, which constitute to approximately 56% of the Group's total assets.</p> <p>The Group tested goodwill for impairment at the end of the reporting period. The recoverable amounts of the allocated cash-generating units have been determined based on value-in-use calculations. Based on the impairment assessment, for the current financial year no impairment loss was considered necessary.</p> <p>These calculations require the use of estimates and assumptions which involved significant judgements. Changes to the estimates and assumptions will result in changes in the carrying amount of goodwill recognised at the end of the reporting period.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>held detailed discussions with the Group's key management on the business plans for APEC Solutions Pte. Ltd.;</li> <li>reviewed the reasonableness of the key estimates and assumptions used in the value-in-use calculations by comparing the forecasts to historical results and current prospects of the business based on internal and external sources;</li> <li>re-performed the calculations of the cash flows prepared by management to check the mathematical accuracy;</li> <li>involved our independent valuation expert to review the discount rates used;</li> <li>performed sensitivity analysis and headroom analysis based on the range of acceptable key estimates and assumptions. These included discount rate, revenue growth rates, terminal growth rates, margins and working capital assumptions used in cash flow forecasts; and</li> <li>evaluated the adequacy of the related disclosures in the financial statements.</li> </ul> <p>Based on our audit procedures, we found the assumption estimates to be within a reasonable range of outcomes.</p>

# INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

## Key Audit Matters (continued)

Key audit matter	How the matter was addressed in the audit
<p><b>Valuation of investment in subsidiaries</b></p> <p>We refer to Note 2.3(b)(ii), Note 3.6 and Note 7 to the consolidated financial statements.</p> <p>As at 31 December 2023, the net carrying amount of investment in subsidiaries amounted to S\$4,282,000, which constitute to approximately 82% of the Company's total assets. The carrying amounts are stated net of accumulated impairment loss of S\$2,700,000 as at 31 December 2023.</p> <p>The Company's subsidiaries have incurred net losses during the current financial year. These are indications of impairment in investments in subsidiaries. The recoverable amounts of the allocated cash-generating units have been determined based on higher of fair value less costs of disposal and value-in-use calculations. Based on the impairment testing, an impairment loss of S\$1,200,000 was recognised in profit or loss of the Company for the financial year ended 31 December 2023.</p> <p>The determination of recoverable amounts of the allocated cash-generating units require the use of estimates and assumptions which involved significant judgements. Changes to the estimates and assumptions will result in changes in the carrying amount of investments in subsidiaries recognised at the end of the reporting period.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>held detailed discussions with the Group's key management on the business plans for the subsidiaries, APEC Solutions Pte. Ltd. and Custody Plus Pte. Ltd.;</li> <li>reviewed the basis of deriving the recoverable amounts based on higher of fair value less costs of disposal and value-in-use calculations;</li> <li>reviewed the reasonableness of the key estimates and assumptions used in the value-in-use calculations by comparing the forecasts to historical results and current prospects of the business based on internal and external sources;</li> <li>re-performed the calculations of the cash flows prepared by management to check the mathematical accuracy;</li> <li>involved our independent valuation expert to review the discount rates used;</li> <li>performed sensitivity analysis and headroom analysis based on the range of acceptable key estimates and assumptions. These included discount rate, revenue growth rates, terminal growth rates, margins and working capital assumptions used in cash flow forecasts;</li> <li>for investment in Custody Plus Pte. Ltd., carried out re-performance of recoverable amounts based on fair value less costs of disposal, with reference to the recent acquisition of 45% stake in the entity during the current financial year; and</li> <li>evaluated the adequacy of the related disclosures in the financial statements.</li> </ul> <p>Based on our audit procedures, we found the assumption estimates to be within a reasonable range of outcomes.</p>

## Other Matter

The financial statements of VCPlus Limited for the year ended 31 December 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 11 April 2023.

## 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.

# INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

## 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.

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.

# INDEPENDENT AUDITOR'S REPORT

To the Members of VCPlus Limited

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

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.

## 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 those subsidiaries incorporated in Singapore of which we are the auditors 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 Chan Rouh Ting.

## Nexia Singapore PAC

Public Accountants and  
Chartered Accountants

Singapore  
9 April 2024

(Engagement Partner: Chan Rouh Ting since financial year ended 31 December 2023)



# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

		Group		Company	
	Note	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	178	354	177	345
Intangible assets	6	3,123	2,406	–	–
Investments in subsidiaries	7	–	–	4,282	3,710
		<u>3,301</u>	<u>2,760</u>	<u>4,459</u>	<u>4,055</u>
<b>Current assets</b>					
Trade and other receivables	8	64	279	554	1,282
Prepayments		24	776	17	29
Cash and cash equivalents	9	401	2,217	162	1,864
		<u>489</u>	<u>3,272</u>	<u>733</u>	<u>3,175</u>
<b>Total assets</b>		<u>3,790</u>	<u>6,032</u>	<u>5,192</u>	<u>7,230</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	10	98,834	98,386	98,834	98,386
Other reserves	11	(554)	(187)	110	94
Currency translation reserve	12	1,435	1,435	1,275	1,275
Accumulated losses		(96,990)	(95,008)	(96,212)	(94,152)
<b>Equity attributable to owner of the Company</b>		<u>2,725</u>	<u>4,626</u>	<u>4,007</u>	<u>5,603</u>
Non-controlling interests	7	–	199	–	–
<b>Total equity</b>		<u>2,725</u>	<u>4,825</u>	<u>4,007</u>	<u>5,603</u>
<b>Non-current liabilities</b>					
Lease liabilities	13	–	139	–	139
Deferred tax liabilities	14	42	71	–	–
		<u>42</u>	<u>210</u>	<u>–</u>	<u>139</u>
<b>Current liabilities</b>					
Trade and other payables	15	884	864	1,046	1,355
Lease liabilities	13	139	133	139	133
		<u>1,023</u>	<u>997</u>	<u>1,185</u>	<u>1,488</u>
<b>Total liabilities</b>		<u>1,065</u>	<u>1,207</u>	<u>1,185</u>	<u>1,627</u>
<b>Total equity and liabilities</b>		<u>3,790</u>	<u>6,032</u>	<u>5,192</u>	<u>7,230</u>

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



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

	Note	2023 S\$'000	2022 S\$'000
<b>Continuing operations</b>			
Revenue	16	398	828
Other income	17	117	364
Less: Expenses			
Cost of services and sales		(162)	(141)
Depreciation and amortisation expenses	18	(210)	(269)
Employee benefits expenses	19	(1,293)	(1,525)
Lease expenses	20	(3)	(11)
Other expenses		(965)	(2,144)
Loss allowance on trade receivables	8	(27)	(21)
Finance costs	21	(79)	(17)
<b>Loss before income tax from continuing operations</b>	22	(2,224)	(2,936)
Income tax credit/(expenses)	23	38	(6)
Loss from continuing operations		(2,186)	(2,942)
Loss from discontinued operations, net of tax	24	—	(200)
<b>Loss for the year</b>		<b>(2,186)</b>	<b>(3,142)</b>
<b>Other comprehensive loss:</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		—	(84)
<b>Other comprehensive loss for the year, net of tax</b>		<b>—</b>	<b>(84)</b>
<b>Total comprehensive loss for the year</b>		<b>(2,186)</b>	<b>(3,226)</b>
<b>Loss attributable to:</b>			
Owners of the Company			
- Continuing operations, net of tax		(1,982)	(2,749)
- Discontinued operations, net of tax	24	—	(200)
		(1,982)	(2,949)
Non-controlling interests	7	(204)	(193)
		<b>(2,186)</b>	<b>(3,142)</b>
<b>Total comprehensive loss attributable to:</b>			
Owners of the Company			
- Continuing operations, net of tax		(1,982)	(2,833)
- Discontinued operations, net of tax		—	(200)
		(1,982)	(3,033)
Non-controlling interests	7	(204)	(193)
		<b>(2,186)</b>	<b>(3,226)</b>
<b>Loss per share attributable to Owners of the Company</b>			
S\$ cents basic and diluted			
- Continuing operations	25	(0.0416)	(0.0603)
- Discontinued operations	25	—	(0.0044)

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

	Note	Share capital S\$'000	Other reserve S\$'000	Currency translation reserve S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling Interests S\$'000	Total S\$'000
Balance at 1 January 2023		98,386	(187)	1,435	(95,008)	4,626	199	4,825
Loss for the year		–	–	–	(1,982)	(1,982)	(204)	(2,186)
Other comprehensive loss		–	–	–	–	–	–	–
Total comprehensive loss for the year		–	–	–	(1,982)	(1,982)	(204)	(2,186)
Transactions with owners:								
Acquisition of additional interests in a subsidiary from non-controlling interests	7	378	(383)	–	–	(5)	5	–
Issuance of ordinary shares and recognition of share based payment	10,11	70	16	–	–	86	–	86
Total transactions with owners, recognised directly in equity		448	(367)	–	–	81	5	86
Balance at 31 December 2023		98,834	(554)	1,435	(96,990)	2,725	–	2,725
Balance at 1 January 2022		96,713	(39,247)	8	(53,093)	4,381	392	4,773
Effect of change in presentation Currency	2.2	–	–	1,511	–	1,511	–	1,511
Balance at 1 January 2022, as restated		96,713	(39,247)	1,519	(53,093)	5,892	392	6,284
Loss for the year		–	–	–	(2,949)	(2,949)	(193)	(3,142)
Other comprehensive loss:								
Exchange differences		–	–	(84)	–	(84)	–	(84)
Transfer of merger reserve due to disposal of subsidiaries	24	–	38,966	–	(38,966)	–	–	–
Total comprehensive loss for the year		–	38,966	(84)	(41,915)	(3,033)	(193)	(3,226)
Transactions with owners:								
Issuance of new ordinary shares	10	1,673	–	–	–	1,673	–	1,673
Recognition of share based payment	11	–	94	–	–	94	–	94
Total transactions with owners		1,673	94	–	–	1,767	–	1,767
Balance at 31 December 2022		98,386	(187)	1,435	(95,008)	4,626	199	4,825

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	2023 S\$'000	2022 S\$'000
<b>Cash flows from operating activities</b>			
Loss before income tax			
- Continuing operations		(2,224)	(2,936)
- Discontinued operations		—	(200)
- Total		(2,224)	(3,136)
Adjustments for:			
Depreciation and amortisation expenses	18	210	308
Share-based compensation	10,11	86	94
Interest expenses	21	79	18
Loss allowance on trade receivables	8	27	21
Bad debts written off		35	—
Gain on disposal of subsidiaries	24	—	(13)
Impairment loss on goodwill	22	—	1,220
Impairment loss on intangibles assets	22	—	62
Unrealised exchange difference		—	17
Operating cash flows before working capital changes		(1,787)	(1,409)
Working capital changes:			
Inventories		—	9
Trade and other receivables		133	23
Prepayments		3	(261)
Trade and other payables		(28)	157
Cash used in operations		(1,679)	(1,481)
Income tax refund		9	—
<b>Net cash used in operating activities</b>		(1,670)	(1,481)
<b>Cash flows from investing activities</b>			
Proceeds from disposal of subsidiaries	24	—	322
Purchase of property, plant and equipment	5	(2)	(147)
<b>Net cash (used in)/generated from investing activities</b>		(2)	175
<b>Cash flows from financing activities</b>			
Interest paid	13	(11)	(18)
Repayment of lease obligations	13	(133)	(144)
Proceeds from issuance of new ordinary shares	10	—	1,673
<b>Net cash (used in)/generated from financing activities</b>		(144)	1,511
<b>Net (decrease)/increase in cash and cash equivalents</b>		(1,816)	205
<b>Cash and cash equivalents at the beginning of the year</b>		2,217	2,012
<b>Cash and cash equivalents at the end of the year</b>	9	401	2,217

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

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. The registered office and principal place of business is 223 Mountbatten Road #03-10, Singapore 398008.

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 7 to the financial statements.

The consolidated financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2023 were approved and authorised for issue with a resolution of the Board of Directors on the date of the Directors’ Statement.

## 2. Basis of preparation

### 2.1 Statement of compliance and basis of measurement

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and the provisions of the Companies Act 1967 (Singapore). 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.

### 2.2 Functional and presentation currency

The functional currency of the Company and subsidiaries is Singapore Dollar (“S\$”), which is the currency of the primary economic environment in which the entity operates.

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. All financial information presented in S\$ have been rounded to the nearest thousand (“S\$’000”), unless otherwise stated.

There was a change in the functional currency and presentation currency of the Company and the Group from Ringgit Malaysia (“RM”) to Singapore Dollar (“S\$”) in the financial year ended 31 December 2022. The change in accounting policy due to the change in presentation currency has been applied for retrospectively. Details are set out in the financial statements for the financial year ended 31 December 2022.

### 2.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group’s risk management and climate-related commitments where appropriate. 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.

#### (a) 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. Basis of preparation (continued)

### 2.3 Critical accounting judgements and key sources of estimation uncertainty (continued)

#### (b) 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 goodwill and other intangible assets

Management performed impairment test on goodwill and other intangible assets in accordance with the accounting policy as disclosed in Note 3.4 to the financial statements. The recoverable amounts of the allocated cash-generating units have been determined based on value-in-use calculations. The value-in-use calculations require the use of estimates and assumptions which involve significant judgements. Changes to the estimates and assumptions will result in changes in the carrying amount of goodwill recognised at the end of the reporting period.

The key assumptions for the value-in-use calculations are those regarding the discount rates and expected future cash flows as well as the growth rate used for extrapolation purpose during the period. Expected future cash flows are estimated using industry trends, general market and economic conditions, with reference to the historical results.

During the current financial year, there is no impairment loss recognised in the consolidated financial statements. The carrying amounts of goodwill and other intangible assets are disclosed in Note 6 to the financial statements.

#### (ii) Valuation of investments in subsidiaries

Management performed impairment test on investments in subsidiaries in accordance with the accounting policy as disclosed in the Note 3.6 to the financial statements. The recoverable amounts of the allocated cash-generating units have been determined based on the higher of the fair value less cost of disposal and value-in-use calculations. These calculations require the use of estimates and assumptions which involve significant judgements. Changes to the estimates and assumptions will result in changes in the carrying amount of the Company's investments in subsidiaries at the end of the reporting period.

During the current financial year, the Company recognised an impairment loss amounting to S\$1,200,000 to profit or loss. The carrying amounts of investments in subsidiaries are disclosed in Note 7 to the financial statements.

### 2.4 SFRS(I)s and interpretations of SFRS(I)s issued and effective for the current financial year ended 31 December 2023

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

#### Amendments to SFRS(I) 1-12

#### *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities. For leases, the Group is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. Basis of preparation (continued)

### 2.4 SFRS(I)s and interpretations of SFRS(I)s issued and effective for the current financial year ended 31 December 2023 (continued)

#### Amendments to SFRS(I) 1-1

##### *Disclosure of Accounting Policies and SFRS(I) Practice Statement 2 Making Materiality Judgements*

The amendments require the disclosure of “material”, rather than “significant” accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

#### Amendments to SFRS(I) 1-8

##### *Definition of Accounting Estimates*

As entities faced challenges in distinguishing accounting policies and accounting estimates, SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors* was amended to replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are defined as “monetary amounts in financial statements that are subject to measurement uncertainty”.

The amendments also clarify that a change in accounting estimates that result from new information or new developments is not the correction of an error. In addition, the effects of a change in input or a measurement technique used to develop accounting estimates are changes in accounting estimates if they do not result from the correction of prior period errors.

#### Amendments to SFRS(I) 1-12

##### *International tax reforms – Pillar Two Model Rules*

The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax that may arise from the jurisdictional adoption of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (“OECD”), and require new disclosures about the Pillar Two tax exposure.

### 2.5 Standards issued but not yet effective

The Group has not adopted standards applicable to the Group that have been issued but not yet effective. The Group is currently assessing the impact to the consolidated financial statements. Based on preliminary assessment, the directors of the Company expect that the adoption of the standards will have no material impact on the financial statements in the period of initial application.

#### Amendments to SFRS(I) 1-1

##### *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*

The amendments require that the classification of liabilities as current or non-current must be based on rights that are in existence at the end of the reporting period. The classification is unaffected by management's intentions or expectations about whether an entity will exercise its right to defer settlement of a liability. The amendments clarify that a counterparty conversion option that is recognised separately as an equity component of a compound financial instrument does not affect the classification of the associated liability component as current or non-current. All other obligations to transfer equity instruments, cash, assets and liabilities, affect the classifications.

These amendments should be applied for annual periods beginning on or after 1 January 2024 retrospectively in accordance to SFRS(I) 1-8. Earlier application is permitted. If the Group's entity applies these amendments for an earlier period, it shall disclose that fact.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2. Basis of preparation (continued)

### 2.5 Standards issued but not yet effective (continued)

#### Amendments to SFRS(I) 16

##### *Lease Liability in a Sale and Leaseback*

The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in SFRS(I) 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained. The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease.

The amendments are effective for reporting periods beginning on or after 1 January 2024. Early application is permitted. The amendments are applied retrospectively to sale and leaseback transactions that have been entered into on or after the date of initial application of SFRS(I) 16.

#### Amendments to SFRS(I) 1-1

##### *Presentation of Financial Statements: Non-current Liabilities with Covenants*

The amendments specify that covenants with which a reporting entity must comply after the reporting date do not affect the classification of a liability as current or non-current at the reporting date. The amendments require the Group to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

The amendments are applied retrospectively for reporting periods beginning on or after 1 January 2024. Early application is permitted.

#### Amendments to SFRS(I) 1-7 and SFRS(I) 7

##### *Statement of Cash Flows and Financial Instruments: Disclosures – Supplier Finance Arrangements*

The amendments in SFRS(I) 1-7 require the Group to disclose information about its supplier finance arrangements whether the Group has accessed, or has access to, supplier finance arrangements that provide the Group with extended payment terms or the entity's suppliers with early payment terms. In addition, new disclosure is added in SFRS(I) 7 to require entity to disclose concentrations of liquidity risk and market risk that may arise from supplier finance arrangements resulting in the entity concentrating with finance providers a portion of its financial liabilities originally owed to suppliers.

The Group is required to apply the amendments to SFRS(I) 7 when it applies the amendments to SFRS(I) 1-7. Early application is permitted.

#### Amendments to SFRS(I) 1-21

##### *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*

The amendments to SFRS(I) 1-21 will require companies to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments will help companies and investors by addressing a matter not previously covered in the accounting requirements for the effects of changes in foreign exchange rates.

These amendments will require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

The amendments will become effective for annual reporting periods beginning on or after 1 January 2025. Early application is permitted.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies

The accounting policies set out below have been consistently applied to all periods presented in these financial statements, except as disclosed in Note 2.4 on the new standards and amendments which addresses changes in accounting policies.

### 3.1 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 entities over which the Group companies have control. The Group companies controls an entity 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. The Group will re-assess whether or not it controls an investee whenever facts and circumstances indicate that there may be a change in any of these elements of control. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases.

In preparing the consolidated financial statements, 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. Accounting policies have been changed where necessary to ensure consistency within the policies adopted by the Group.

With the exception of business combinations involving entities under common control, acquisitions of subsidiaries are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable asset is recorded as goodwill on the statement of financial position.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a "fair value concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable assets or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3, *Business Combinations*.

Acquisition related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination.

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 statement of financial position of the Group. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling of the Group interests having a deficit balance.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies (continued)

### 3.1 Basis of consolidation (continued)

Changes in the Group's interest in a subsidiary that do not result in loss of control are accounted for as transactions with equity owners of the Company. Any difference between the carrying amounts of the non-controlling interests and the value of consideration paid or received is recognised in other reserves, within equity attributable to the owners of the Company.

### 3.2 Subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

### 3.3 Property, plant and equipment

All items of property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount.

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.

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:

Buildings	20 years
Furniture and fittings	5 years
Office equipment	3 years
Motor vehicles	5 years
Renovation	3 years
Plant and machinery	10 years

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. Any gains or losses on disposal of property, plant and equipment are recognised in the profit or loss in the year of disposal.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies (continued)

### 3.4 Goodwill

The excess of the aggregation of consideration transferred, the amount of any non-controlling interests in the acquiree, and fair value at the date of acquisition of any previous equity interest in the acquiree, over the fair value of the net identifiable assets acquired is initially recognised as goodwill in the consolidated financial statements. Subsequently, goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or when circumstances change, indicating that goodwill may be impaired. If the Group's interest in the net fair value of the identifiable assets and liabilities exceeds the consideration transferred and the non-controlling interests in the acquiree, the Group will reassess whether it has correctly identified all of the assets acquired and liabilities assumed, and any excess thereafter is recognised as an income in the profit or loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units. If the recoverable amount of a cash-generating unit is estimated to be less than its carrying amount, 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.

### 3.5 Intangible assets excluding goodwill

Intellectual property, unfinished contracts and customised software 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 or loss over the contractual periods. Costs incurred for acquisition of customised software, whose benefits extend over a period of more than one year, are being capitalised and amortised over the contractual periods when in operational use.

### 3.6 Impairment of non-financial assets excluding 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). The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and the value-in-use.

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. 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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 only to the extent that it does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 3.7 Financial assets

#### (a) Classification and measurement

The Group classifies its financial assets at amortised costs, fair value through other comprehensive income and fair value through profit or loss. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies (continued)

### 3.7 Financial assets (continued)

#### (a) Classification and measurement (continued)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### At initial and subsequent recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Group's debt instruments which mainly comprised of cash and cash equivalents and trade and other receivables are measured at amortised costs.

#### (b) Impairment of financial assets

The Group recognises loss allowances from expected credit losses ("ECLs") on financial assets measured at amortised cost. Loss allowances of the Group are measured on either of 12-month ECLs resulting from possible default events within the 12 months after the reporting date or lifetime ECLs resulting from all possible default events over the expected life of a financial instrument.

The Group applies the simplified approach and records lifetime ECLs on all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition. At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls, which is the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies (continued)

### 3.7 Financial assets (continued)

#### (b) Impairment of financial assets (continued)

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal service where appropriate. Any recoveries are recognised in the profit or loss.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes significant financial difficulty of a debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amounts of these assets.

#### (c) Recognition and de-recognition

The Group recognises a financial asset when, and only when the Group becomes party to the contractual provisions of the instruments. All regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

### 3.8 Trade and other payables

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Interest-bearing payables are recognised initially at cost less attributable transaction costs. Subsequent to initial recognition, interest-bearing payables are stated at amortised cost using the effective interest method.

### 3.9 Leases – when the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

For contract that contains both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group does not separate lease and non-lease component, if any, for all leases and account these as one single lease component.

The Group recognises right-of-use ("ROU") assets and lease liabilities at the date which the underlying assets become available for use. ROU assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for re-measurement of lease liabilities. The cost of ROU assets includes the initial measurement of lease liabilities adjusted for any lease payment made at or before the commencement dates, plus any initial direct costs incurred less any lease incentives received. Any initial cost that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets. ROU asset is depreciated using the straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies (continued)

### 3.9 Leases – when the Group is the lessee (continued)

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. Lease payment relating to these leases are expensed to the profit or loss on a straight-line basis over the lease term.

ROU assets are presented within “Property, plant and equipment” in the statements of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If the rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payment included in the measurement of the lease liability comprise fixed payments (including in substance fixed payment), less any lease incentive receivables. Lease liabilities are subsequently measured at amortised cost, and are remeasured when there is a change in the Group’s assessment of whether it will exercise lease extension and termination option, or there is a modification to the lease terms. Where lease liabilities are remeasured, corresponding adjustments are made against the ROU assets. If the carrying amount of the ROU assets have been reduced to zero, the adjustments are recorded in the profit or loss.

### 3.10 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of goods or rendering of services in the ordinary course of the Group’s activities. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Control of the goods or services is transferred over time if the Group’s performance: (i) provides all the benefits received and consumed simultaneously by the customer; (ii) creates or enhances an asset that the customer controls as the Group performs; or (iii) does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or services.

### 3.11 Income tax

Current income tax for current and prior years is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of each reporting period in the countries where the Group operates and generates income. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is recognised in the profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred income tax is also dealt with in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of each reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies (continued)

### 3.12 Employee benefits

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.

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 a Performance Share Plan ("PSP") 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 consolidated statement of comprehensive income 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.

### 3.13 Foreign currency transactions and translation

Foreign currency transactions are translated into the respective functional currencies of the companies in the Group at the exchange rates prevailing at the time the transactions are entered into. Currency translation differences arising from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange rates prevailing at the end of the reporting period are recognised in the profit or loss.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates prevailing at the date of transactions. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rate at the date that the fair value was determined.

In the preparation of the consolidated financial statements, the financial statements of those subsidiaries whose functional currency are not Singapore Dollar (i.e. "foreign entities") have been translated to Singapore Dollar ("S\$"), the presentation currency of the Company, as follows:

- assets and liabilities are translated at the exchange rates approximating those prevailing at the end of the reporting period;
- share capital and reserves are translated at historical exchange rate; and
- income and expenses are translated at the average exchange rates for the period (unless the average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated using the exchange rates at the dates of the transactions).

Exchange differences arising from the above translations are recognised in other comprehensive income and these are accumulated in currency translation reserve within equity. Such cumulative translation differences are reclassified from equity to the profit or loss in the period in which the foreign entity is disposed of. On consolidation, exchange differences arising from the translation of the net investments in foreign entities (including monetary items that in substance form part of the net investments in foreign entities) are recognised in other comprehensive income.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3. Material accounting policies (continued)

### 3.14 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 makes strategic decisions.

## 4. Going concern assumptions

During the financial year ended 31 December 2023, the Group incurred a net loss of S\$2,186,000 (2022: S\$3,142,000), total comprehensive loss of S\$2,186,000 (2022: S\$3,226,000) and recorded net cash used in operating activities of S\$1,670,000 (2022: S\$1,481,000). As at 31 December 2023, the Group and the Company have net current liabilities of S\$534,000 and S\$452,000 (2022: net current assets of S\$2,275,000 and S\$1,687,000) respectively.

The ability of the Group and the Company to continue as going concerns and meet its obligations for the next twelve months from the authorisation of the financial statements, is dependent on the Group's and the Company's ability to generate sufficient cash flows from its operations and other sources.

These indicates a material uncertainty that may cast significant doubt about the Group's and the Company's ability to continue as going concerns.

In the preparation of the financial statements of the Group and the Company, the directors and management of the Company believe that the use of going concern assumption is appropriate after taking into consideration the following:

- (i) The Board of Directors have reviewed and are satisfied with the cash flow forecast prepared by Management, and are of the view that the Group and the Company will have sufficient working capital and will be able to meet its obligations as and when they fall due based on the cash flow forecast for the next 12 months;
- (ii) The Group does not have any bank borrowings as at reporting date;
- (iii) Subsequent to the financial year on 7 February 2024, the Company completed a placement of 200,000,000 new Shares at the issue price of S\$0.003 per Share, and the gross proceeds amounting to S\$600,000 have been received. The Company has granted 370,000,000 new Shares ("Option Shares") for a cash consideration of S\$1,110,000 ("Option Consideration") for the option exercise price of S\$0.003 per Option Shares ("Option Exercise Price"). The Option Shares may be exercised at any time within one year after 30 January 2024;
- (iv) APEC Solutions business is expected to continue generating positive cash flows in the next financial year;
- (v) The Group will be implementing cost control measures in the next 12 months, which includes manpower alignment in line with changing business sentiments; and
- (vi) The Group will continue to evaluate various strategies to obtain alternative sources of financing where necessary to enable the Group to meet its obligations as and when they fall due.

In the event that the Group and the Company is unable to continue as a going concern, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. No such adjustments have been made to these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 5. Property, plant and equipment

	Buildings S\$'000	Office equipment S\$'000	Renovation S\$'000	Total S\$'000
<b>Group</b>				
<b>2023</b>				
<u>Cost</u>				
At 1 January 2023	393	83	97	573
Additions	—	2	—	2
At 31 December 2023	393	85	97	575
<u>Less: Accumulated depreciation and impairment losses</u>				
At 1 January 2023	146	44	29	219
Depreciation	125	20	33	178
At 31 December 2023	271	64	62	397
<u>Net carrying value</u>				
At 31 December 2023	122	21	35	178

	Buildings S\$'000	Furniture and fittings S\$'000	Office equipment S\$'000	Motor Vehicles S\$'000	Renovation S\$'000	Plant and machinery S\$'000	Total S\$'000
<b>Group</b>							
<b>2022</b>							
<u>Cost</u>							
At 1 January 2022	601	2	47	130	7	817	1,604
Additions	—	—	50	—	97	—	147
Disposal of subsidiaries (Note 24)	(195)	(2)	(16)	(130)	(7)	(817)	(1,167)
Exchange differences	(13)	—	2	—	—	—	(11)
At 31 December 2022	393	—	83	—	97	—	573
<u>Less: Accumulated depreciation and impairment losses</u>							
At 1 January 2022	65	1	27	102	5	417	617
Depreciation	134	—	30	6	30	27	227
Disposal of subsidiaries (Note 24)	(42)	(1)	(16)	(108)	(5)	(445)	(617)
Exchange differences	(11)	—	3	—	(1)	1	(8)
At 31 December 2022	146	—	44	—	29	—	219
<u>Net carrying value</u>							
At 31 December 2022	247	—	39	—	68	—	354

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 5. Property, plant and equipment (continued)

	Buildings S\$'000	Office equipment S\$'000	Renovation S\$'000	Total S\$'000
<b>Company</b>				
<b><u>2023</u></b>				
<u>Cost</u>				
At 1 January 2023	396	64	97	557
Additions	—	2	—	2
At 31 December 2023	396	66	97	559
<u>Less: Accumulated depreciation</u>				
At 1 January 2023	149	34	29	212
Depreciation	123	15	32	170
At 31 December 2023	272	49	61	382
<u>Net carrying value</u>				
At 31 December 2023	124	17	36	177
<b><u>2022</u></b>				
<u>Cost</u>				
At 1 January 2022	396	21	—	417
Additions	—	43	97	140
At 31 December 2022	396	64	97	557
<u>Less: Accumulated depreciation</u>				
At 1 January 2022	22	10	—	32
Depreciation	127	24	29	180
At 31 December 2022	149	34	29	212
<u>Net carrying value</u>				
At 31 December 2022	247	30	68	345

Right-of-use assets under leasing arrangements are presented together with the owned assets of the same class (i.e Buildings). Details of such leased assets are disclosed below and disclosures relating to lease arrangements are included under Note 13 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 5. Property, plant and equipment (continued)

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

	Group	
	2023	2022
	S\$'000	S\$'000
Additions to property, plant and equipment	2	147
Cash payments for acquisition of property, plant and equipment	2	147

The Group leases a number of buildings (i.e office premises) and motor vehicles with fixed payments over the lease terms. The right-of-use assets classified within property, plant and equipment are summarised as follows:

	2023		2022	
	Buildings	Buildings	Motor vehicles	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>				
<u>Cost</u>				
At 1 January	393	452	127	579
Disposal of subsidiaries	—	(50)	(127)	(177)
Exchange differences	—	(9)	—	(9)
At 31 December	393	393	—	393
<u>Less: Accumulated depreciation</u>				
At 1 January	146	63	100	163
Depreciation	125	134	—	134
Disposal of subsidiaries	—	(42)	(100)	(142)
Exchange differences	—	(9)	—	(9)
At 31 December	271	146	—	146
<u>Net carrying value</u>				
At 31 December	122	247	—	247

	2023	2022
	Buildings	Buildings
	S\$'000	S\$'000
<b>Company</b>		
<u>Cost</u>		
At 1 January	396	396
Additions	—	—
At 31 December	396	396
<u>Less: Accumulated depreciation</u>		
At 1 January	149	22
Depreciation	123	127
At 31 December	272	149
<u>Net carrying value</u>		
At 31 December	124	247

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 6. Intangible assets

	Goodwill S\$'000	Intellectual property S\$'000	Unfinished contracts S\$'000	Software S\$'000	Total S\$'000
<b>Group</b>					
<b><u>2023</u></b>					
<u>Cost</u>					
At 1 January 2023	3,347	315	112	–	3,774
Additions	–	–	–	749	749
At 31 December 2023	3,347	315	112	749	4,523
<u>Less: Accumulated amortisation and impairment</u>					
At 1 January 2023	1,220	36	112	–	1,368
Amortisation charged	–	32	–	–	32
At 31 December 2023	1,220	68	112	–	1,400
<u>Net carrying value</u>					
At 31 December 2023	2,127	247	–	749	3,123
<b><u>2022</u></b>					
<u>Cost</u>					
At 1 January 2022	3,347	315	112	–	3,774
Additions	–	–	–	–	–
At 31 December 2022	3,347	315	112	–	3,774
<u>Less: Accumulated amortisation and impairment</u>					
At 1 January 2022	–	4	2	–	6
Amortisation charged	–	32	48	–	80
Impairment charged	1,220	–	62	–	1,282
At 31 December 2022	1,220	36	112	–	1,368
<u>Net carrying value</u>					
At 31 December 2022	2,127	279	–	–	2,406

The remaining useful life of the intellectual property is 8 years (2022: 9 years). Unfinished contracts had been fully impaired and amortised in the previous financial years. The software for Custody Plus business will commence amortisation when customisation is completed and in operational use. The software was transferred from "Prepayment" account to "Intangible Assets" when the Group received the full capital markets services license from Monetary Authority of Singapore ("MAS") in March 2023.

### Goodwill and impairment

Goodwill arose from the acquisition of APEC Solutions Pte. Ltd. ("APEC Solutions") in year 2021.

Goodwill is tested for impairment annually or when circumstances change, indicating that goodwill will be impaired. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU"). The recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amounts of the allocated CGU have been determined based on value-in-use calculations.

The value-in-use calculations require the use of estimates and assumptions which involve significant judgements. Changes to the estimates and assumptions will result in changes in the carrying amount of goodwill recognised at the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 6. Intangible assets (continued)

The recoverable amounts of the CGU are determined from value-in-use calculations based on cash flow forecasts from financial budgets approved by management for the next 5 years and projection to terminal year. Management takes into consideration the existing sales contracts secured, the new revenue stream and strategy plans of APEC Solutions and the future business outlook. The key assumptions used in the cash flow projections are discount rate, revenue and terminal growth rates as follows:

	Group	
	2023	2022
	%	%
Pre-tax discount rate	22.0	30.5
Average revenue growth rate	26.0	16.9
Terminal growth rate	1.5	1.5

Management estimates discount 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 current financial year, based on the value-in-use calculations, the recoverable amounts are higher than the carrying amounts and no impairment loss on goodwill was recognised (2022: an impairment loss of S\$1,220,000 was recognised). If the management's estimated discount rate applied to the value-in-use cash flow increased by 1.0%, with all other assumptions remained unchanged, the recoverable amount of the goodwill will still exceed its carrying amount and no further impairment loss on goodwill are recognised.

## 7. Investments in subsidiaries

	Company	
	2023	2022
	S\$'000	S\$'000
<u>At cost, net of impairment</u>		
Unquoted equity investments, at cost	5,210	51,028
Capitalisation of receivables due from a subsidiary	1,394	–
Acquisition of remaining non-controlling interests of a subsidiary	378	–
Disposal of subsidiaries (Note 24)	–	(45,720)
Liquidation of a subsidiary	–	(98)
Less: Accumulated impairment losses	(2,700)	(1,500)
	4,282	3,710
<u>Accumulated impairment losses</u>		
At 1 January	1,500	45,216
Impairment loss for financial year	1,200	1,500
Write off of impairment loss due to disposal of a subsidiary	–	(45,216)
At 31 December	2,700	1,500

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 7. Investments in subsidiaries (continued)

- (i) The particulars of the significant subsidiaries are as follows:

Name of subsidiary companies	Proportion of ownership interest held		Principal activities
	2023 %	2022 %	
APEC Solutions Pte. Ltd. (Singapore) <sup>(1)</sup>	100	100	Provision of IT consultancy, services and solutions and other investments
Custody Plus Pte. Ltd. (Singapore) <sup>(1)</sup>	100	55	Provision of custodian services for digital assets

(1) Audited by Nexia Singapore PAC for current financial year. Audited by BDO LLP, Singapore for financial year ended 31 December 2022.

- (ii) Acquisition of additional interests in a subsidiary in 2023

On 25 July 2023, the Company completed the acquisition of the remaining 45% stake in Custody Plus Pte. Ltd. ("Custody Plus"). Following the completion of the acquisition, the Company's interests in Custody Plus increased from 55% to 100% and became a wholly owned subsidiary of the Company.

Under the terms of the Sale and Purchase Agreement, the aggregate Purchase Consideration are made up of: (a) Base Consideration i.e the issuance of 63,000,000 new ordinary shares of the Company; (b) Incentive Consideration i.e based on upside valuation of Custody Plus, determined based on average audited revenue for the next 2 financial years.

The aggregate purchase consideration are estimated at S\$378,000, with reference to the fair value of the ordinary shares issued at completion date and management's estimation of the forecasted revenue for the next 2 financial years. The incentive consideration will be re-assessed at 31 December 2024 and 31 December 2025 and any changes in the fair value of the incentive consideration will be recognised in profit or loss in the respective financial years.

The differences between the accumulated non-controlling interests and the purchase consideration were adjusted to "Other Reserves" in the consolidated statement of changes in equity.

- (iii) Impairment assessment on subsidiaries in 2023 and 2022

During the current financial year, the Company recorded an impairment loss on investment in Custody Plus amounting to S\$1,200,000 (2022: S\$1,500,000 impairment loss recognised on investment in APEC Solutions) as the recoverable amounts determined based on the higher of fair value less costs of disposal or value-in-use calculations based on cash flow forecasts prepared by management are lower than its carrying amounts. The recoverable amounts of the investments in subsidiaries are determined based on Level 3 of the fair value hierarchy.

If the management's estimated discount rate applied to the value-in-use cash flow increased by 1.0%, with all other assumptions remained unchanged, the impairment loss will increase to S\$1,231,000 in 2023.

- (iv) Additional investment in 2023

During the current financial year, the Company capitalised non-trade receivables due from a subsidiary, which amounted to S\$1,394,000.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 7. Investments in subsidiaries (continued)

### (v) Non-controlling interests

Summarised financial information (prior to the acquisition as disclosed in Note 7(ii)) in relation to the subsidiary that has non-controlling interests ("NCI") that is material to the Group, and before intra-group eliminations are presented below:

	2023 S\$'000	2022 S\$'000
<b>Custody Plus Pte. Ltd.</b>		
Revenue	—	—
Loss for the financial year	(453)	(429)
Total comprehensive income allocated to NCI	(204)	(193)
<b>Assets:</b>		
Plant and equipment	—	4
Other receivables	—	1,357
<b>Liabilities:</b>		
Other payables	—	918
Accumulated non-controlling interests	—	199
<b>Statement of cash flows:</b>		
Net cash used in operating activities	(453)	(1,294)
Net cash generated from investing activities	—	293
Net cash generated from financing activities	453	1,001

## 8. Trade and other receivables

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Trade receivables				
- third parties	44	253	—	29
Less: loss allowance	(32)	(21)	—	—
Trade receivables, net	12	232	—	29
Other receivables				
- related party	—	—	517	1,216
Accrued receivables	5	—	—	—
Deposits	47	47	37	37
	52	47	554	1,253
Total	64	279	554	1,282

Deposits mainly relate to refundable rental deposits for office premises.

Accrued receivables relates to unbilled revenue earned during the current financial year. These are revenue earned, representing the Group's unconditional rights to consideration for services performed but not yet billed at reporting date. There were no accrued receivables as at 31 December 2022 and 1 January 2022.

Trade and other receivables are denominated in Singapore dollar.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8. Trade and other receivables (continued)

The lifetime expected loss allowance for the Group's trade receivables are 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
<b>2023</b>					
Expected loss rate	0%	0%	–	100%	
Gross carrying amount					
- Trade receivables	8	4	–	32	44
Loss allowance	–	–	–	(32)	(32)
<b>2022</b>					
Expected loss rate	4%	2%	13%	8%	
Gross carrying amount					
- Trade receivables	26	49	112	66	253
Loss allowance	(1)	(1)	(14)	(5)	(21)

The movement in the loss allowance for trade receivables are as follows:

	Group	
	2023 S\$'000	2022 S\$'000
At 1 January	21	213
Loss allowance recognised in profit or loss	27	21
Write off of loss allowance	(16)	–
Disposal of subsidiaries	–	(213)
At 31 December	32	21

The Group applies the simplified approach to measure the expected credit losses for trade receivables. To measure expected credit losses on a collective basis, trade receivables 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 of low credit risk and subject to immaterial credit losses. Credit risk for these assets has not increased significantly since their initial recognition.

## 9. Cash and cash equivalents

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Cash at banks	401	2,217	162	1,864

Cash and cash equivalents are denominated in Singapore dollar.

Cash and cash equivalents in the statements of financial position comprise cash at banks which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 10. Share capital

	2023		2022	
	Number of shares	S\$'000	Number of shares	S\$'000
<b>Issued and fully paid ordinary shares</b>				
At 1 January	4,720,082,101	98,386	4,550,082,101	96,713
Issuance of new shares	71,750,000	448	170,000,000	1,673
At 31 December	4,791,832,101	98,834	4,720,082,101	98,386

Ordinary shares have no par value. 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 current financial year, a total of 71,750,000 new ordinary shares amounting to S\$448,000 were issued. These included 8,750,000 ordinary shares amounting to S\$70,000 issued under the Performance Share Plan and 63,000,000 ordinary shares amounting to S\$378,000 issued as part of the acquisition of additional 45.0% interests in Custody Plus (Note 7(ii)).

During the financial year ended 31 December 2022, 170,000,000 new ordinary shares amounted to S\$1,673,000 were issued pursuant to a placement exercise completed on 19 December 2022.

## 11. Other reserves

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Other reserves	(664)	(281)	–	–
Share option reserves	110	94	110	94
Total	(554)	(187)	110	94

Other reserve represents the excess of consideration paid over the Group's equity interest in a subsidiary (Note 7).

Share option reserves arises on the grant of ordinary shares to the Company's Key Management Personnel under the Performance Share Plan as below.

### Performance Share Plan ("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 and the Company at reporting date, 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 subsequently allotted on 3 January 2023. The second tranche of 8,750,000 ordinary shares vested on 30 December 2023 and subsequently allotted on 3 January 2024.

As at 31 December 2023, the remaining number of contingent shares awarded but not released pursuant to the PSP was 8,750,000. The final tranche will not be vested on 30 December 2024, as the conditions will not be met.

During the current financial year, an amount of S\$86,000 (2022: S\$94,000) in relation to the share award was recognised to profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 11. Other reserves (continued)

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

	Group and Company	
	2023	2022
	Number of shares	
At 1 January	17,500,000	–
Granted	–	26,250,000
Vested	(8,750,000)	(8,750,000)
At 31 December	8,750,000	17,500,000

## 12. Currency translation reserve

There was a change in the functional currency and presentation currency of the Company and the Group from Ringgit Malaysia ("RM") to Singapore Dollar ("S\$") in the financial year ended 31 December 2022. The change in accounting policy due to the change in presentation currency has been applied for retrospectively. Details were set out in the financial statements for the financial year ended 31 December 2022.

The foreign currency translation reserve represents exchange differences arising from the translation of the prior year financial results to the Company's and the Group's presentation currency.

## 13. Lease liabilities

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
At 1 January	272	457	272	399
Interest expenses	11	18	11	17
Lease payments				
- Principal portion	(133)	(144)	(133)	(127)
- Interest portion	(11)	(18)	(11)	(17)
Disposal of subsidiaries (Note 24)	–	(41)	–	–
At 31 December	139	272	139	272

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 13. Lease liabilities (continued)

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

	Group		Company	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Minimum lease payments due</u>				
- Not later than one financial year	144	144	144	144
- Between one financial year and five financial years	–	144	–	144
	144	288	144	288
Less: Future interest expense	(5)	(16)	(5)	(16)
Present value of lease liabilities	139	272	139	272
Presented in statements of financial position:				
- Non-current	–	139	–	139
- Current	139	133	139	133
	139	272	139	272

The lease term is 3 years (2022: 3 years) for the current financial year. The effective interest rates for the lease liabilities is 5.3% (2022: 5.3%) per annum.

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

The amounts recognised in the consolidated statement of comprehensive income and consolidated statement of cash flows are as follows:

	Group	
	2023	2022
	S\$'000	S\$'000
Interest expense on lease liabilities	11	18
Expenses relating to short-term leases – rental expenses	3	13
Total cash outflows for leases (exclude short-term leases)	133	144

Lease liabilities are denominated in Singapore dollar.

## 14. Deferred tax liabilities

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% (2022: 17%).

	Group	
	2023	2022
	S\$'000	S\$'000
<u>Intangible assets acquired as part of business combination</u>		
<u>Settled after one year</u>		
At 1 January	71	71
Credited to profit or loss	(29)	–
At 31 December	42	71

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 15. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables - third parties	–	2	–	–
Non-trade payables				
- third parties	642	659	612	641
- subsidiaries	–	–	263	608
Accrued expenses	205	148	171	106
Deferred revenue (contract liabilities)	37	55	–	–
	884	864	1,046	1,355

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 days' (2022: 30 to 60 days') terms. Trade and other payables are denominated in Singapore dollar.

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

Deferred revenue is recognised when the Group has yet to satisfy its performance obligations under the contract but have received advance payments from the customers. Deferred revenue as at 1 January 2022 amounted to S\$64,000. The significant changes in the deferred revenue during the year are as follows:

	Group	
	2023	2022
	S\$'000	S\$'000
Revenue recognised that was included in the contract liabilities at the beginning of the year	(55)	(64)
Increase due to cash received excluding amounts recognised as revenue during the year	37	55

Management expects that the transaction price allocated to remaining unsatisfied (or partially unsatisfied) performance obligations as at the reporting date are recognised as revenue within the next 12 months.

## 16. 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 which is intended to (a) depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data; and (b) enable users to understand the relationship with revenue segment information provided to the financial statements.

The Group's revenue from contracts with customers can be disaggregated as:

- (i) 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 obligations under the contract but have received advance payments from the customer. 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 16. Revenue (continued)

### (ii) Sale of goods

Revenue earned from sale of goods are recognised at a point in time when the performance obligation is satisfied by transferring promised goods or services to the customers. The Company purchased its goods from third parties. 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.

	Group			
	2023		2022	
	Continuing operations	Continuing operations	Discontinued operations	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Primary geographical markets</u>				
Singapore	398	828	—	828
South East Asia	—	—	38	38
	398	828	38	866
<u>Timing of transfer of goods and services</u>				
Over time	329	680	—	680
Point in time	69	148	38	186
	398	828	38	866
<u>Types of goods or services</u>				
Advisory, consultancy and management services	390	828	—	828
Sale of goods	8	—	38	38
	398	828	38	866

## 17. Other income

	Group	
	Continuing operations	
	2023	2022
	S\$'000	S\$'000
Management fee	72	144
Gain on disposal of subsidiaries (Note 24)	—	13
Government grants	27	159
Foreign exchange gain	—	24
Others	18	24
	117	364



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 18. Depreciation and amortisation expenses

	Group			Total S\$'000
	2023	2022		
	Continuing operations	Continuing operations	Discontinued operations	
	S\$'000	S\$'000	S\$'000	
Depreciation of property, plant and equipment (Note 5)	178	189	38	227
Amortisation of intangible assets (Note 6)	32	80	—	80
Amortisation of mine properties	—	—	1	1
	210	269	39	308

## 19. Employee benefits expenses

	Group			Total S\$'000
	2023	2022		
	Continuing operations S\$'000	Continuing operations S\$'000	Discontinued operations S\$'000	
Salaries, wages, bonuses and other benefits	1,107	1,337	40	1,377
Contributions to defined contribution plans	100	94	3	97
Share awards expenses	86	94	—	94
	1,293	1,525	43	1,568

Included in employee benefits expenses are the remuneration of Directors and key management personnel of the Group as set out in Note 26 to the financial statements.

## 20. Lease expenses

	Group			Total S\$'000
	2023	2022		
	Continuing operations S\$'000	Continuing operations S\$'000	Discontinued operations S\$'000	
Lease expenses – short term leases	3	11	2	13

## 21. Finance costs

	Group			
	2023		2022	
	Continuing operations	Continuing operations	Discontinued operations	Total
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expenses				
- Lease liabilities	11	17	1	18
- Finance charges	68	—	—	—
	79	17	1	18

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 22. Loss before income tax

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

	Group			Total S\$'000
	2023 Continuing operations S\$'000	Continuing operations S\$'000	2022 Discontinued operations S\$'000	
Audit fees paid/payable to:				
- Auditors of the Company	88	111	—	111
- Other auditors	—	1	1	2
Non audit fees paid/payable to:				
- Auditors of the Company	—	14	—	14
- Other auditors	10	4	—	4
Depreciation and amortisation	210	269	39	308
Impairment loss on goodwill	—	1,220	—	1,220
Impairment loss on intangible assets	—	62	—	62
Loss allowance for trade receivables	27	21	—	21
Professional fees	586	235	15	250
Repair and maintenance	—	4	9	13
Travelling and accommodation	15	8	1	9
Share award expenses	86	94	—	94
Utilities	8	8	—	8

## 23. Income tax credit/(expenses)

	Group	
	Continuing operations 2023 S\$'000	2022 S\$'000
Current tax expenses		
- Over/(under) provision in prior year	9	(6)
Deferred tax expenses		
- Current year	5	—
- Prior year	24	—
	<u>38</u>	<u>(6)</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 23. Income tax credit/(expenses)(continued)

The income tax credit/(expenses) varied from the amount of income tax credit/(expenses) determined by applying the applicable income tax rate of 17% (2022: 17%) to loss before income tax as a result of the following differences:

	Group	
	Continuing operations	
	2023	2022
	S\$'000	S\$'000
Loss before income tax		
- Continuing operations	(2,224)	(2,936)
- Discontinued operations	—	(200)
	(2,224)	(3,136)
Tax calculated at a tax rate of 17% (2022: 17%)	(378)	(533)
Effect of:		
- Tax rates in foreign jurisdictions	—	(13)
- Income not subject to tax	—	(44)
- Non-deductible expenses*	63	397
- Over/(under) provision of tax expenses	33	(6)
- Deferred tax assets not recognised*	320	193
Tax credit/(expenses)	38	(6)

	Group	
	2023	2022
	S\$'000	S\$'000
<u>Unrecognised deferred tax assets</u>		
At 1 January	(204)	(11)
Amount not recognised during the year	(320)	(193)
At 31 December	(524)	(204)
Attributable to:		
- Excess of tax written value over net book value	(1)	(16)
- Unutilised tax losses	(523)	(188)
	(524)	(204)

As at 31 December 2023, the Group has unutilised tax losses and unabsorbed capital allowances of approximately S\$524,000 (2022: S\$204,000) 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 3.11 to the financial statements.

*\*A restatement of S\$255,000 has been made to prior year's comparative figures to better conform to the tax disclosure presentation. Accordingly, the non-deductible expenses had increased by S\$255,000 to S\$397,000 and deferred tax assets not recognised decreased from S\$448,000 to S\$193,000.*

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24. Discontinued operations

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.

On 14 March 2022, the Company announced the proposed disposal of its wholly owned subsidiary GGTM Sdn. Bhd. and its subsidiary ("GGTM"), to the Company's former executive director Mr Lim Chiau Woei. 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.

	2022 S\$'000
<u>Results of the discontinued operations were as follows:</u>	
Revenue	38
Raw materials and consumables used	(9)
Depreciation and amortisation expenses	(39)
Employee benefits expenses	(43)
Lease expenses	(2)
Other expenses	(144)
Finance costs	(1)
Loss before income tax from discontinued operations	(200)
Income tax expense	–
Loss from discontinued operations, net of tax	(200)
<u>Impact of the discontinued operations on the cash flows were as follows:</u>	
Operating cash outflows	(93)
Financing cash outflows	(18)
Total cash outflows	(111)
Property, plant and equipment	550
Trade and other receivables	220
Mine properties	37
Inventories	39
Cash and cash equivalents	317
	1,163
Trade and other payables	(597)
Lease liabilities	(41)
	(638)
Net identifiable assets	525
Gain on disposal	13
Cost of disposal	94
Sales consideration	632
Currency translation reserve	7
Cash balance from discontinued operations	(317)
Net proceeds from disposal of subsidiaries	322

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24. Discontinued operations (continued)

Upon completion of the disposal of GGTM, the associated merger reserves of S\$38,966,000 was transferred to accumulated losses.

## 25. Loss per share

### (a) Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial years as follows:

	2023 Continuing operations	Continuing operations	2022 Discontinued operations	Total
<i>Numerator</i>				
Loss attributable to owners of the parent	(1,982)	(2,749)	(200)	(2,949)
<i>Denominator</i>				
Weighted average number of ordinary shares in issue during the financial year	4,760,543,060	4,556,136,896	4,556,136,896	4,556,136,896
Basic loss per share (S\$ cents)	(0.0416)	(0.0603)	(0.0044)	(0.0647)

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 2023 and 31 December 2022 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.

### (b) Diluted loss per share

For the purpose of calculating diluted loss per share, net loss attributable to equity holders of the Company and the weighted average number of ordinary shares in issue are adjusted for the effects of all potential dilutive ordinary shares.

The diluted loss per share is computed to be the same as the loss per share for the financial years ended 31 December 2023 and 31 December 2022 as these are anti-dilutive for the periods presented. At the date of authorisation of the financial statements, the Company has the following dilutive potential ordinary shares:

- (i) 17,500,000 new ordinary shares issued under the Performance Share Plan (Note 11), of which 8,750,000 ordinary shares were issued subsequently on 3 January 2024 and the remaining number of 8,750,000 ordinary shares will not be vested on 30 December 2024 as the conditions will not be met.
- (ii) 200,000,000 new ordinary shares, amounting to approximately S\$600,000 were issued pursuant to a placement exercise completed on 7 February 2024 (Note 30).
- (iii) 370,000,000 Option Shares ("Call Option") at the option exercise price of S\$0.003 per Option Share (Note 30).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26. 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 with their related parties during the financial year are as follows:

(a) Sales and purchase of goods and services

	Group	
	2023	2022
	S\$'000	S\$'000
<u>With a former Director of the Company</u>		
Disposal of GGTM – consideration	–	632
<u>With a related party</u>		
Digital marketing services rendered	40	–

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.

(b) 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	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Directors of the Company</u>				
- short-term employee benefits	167	330	59	264
- post-employment benefits	9	21	3	10
- directors' fees	105	123	105	105
- share award expenses	86	–	86	–
	367	474	253	379
<u>Directors of the subsidiaries</u>				
- short-term employee benefits	50	66	–	–
- post-employment benefits	8	11	–	–
- directors' fees	–	18	–	–
	58	95	–	–

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26. Significant related party transactions (continued)

### (b) Compensation of Key management personnel (Continued)

	Group	
	2023	2022
	S\$'000	S\$'000
<u>Key management personnel</u>		
- short-term employee benefits	297	234
- post-employment benefits	29	12
- share award expenses	–	94
	<u>326</u>	<u>340</u>

## 27. Segment information

### (i) Business segments

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.

For management reporting purposes, the Group is organised into business units based on their products and services. The Group's reported segments for the current financial year are as follows:

- (a) 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;
- (b) Corporate & others - investment holding company as well as business and management consulting services.

During the financial year ended 31 December 2022, the Group completed the disposal of its wholly-owned subsidiary GGTM and the Group exited from the Granite Business. The Group's reportable segment in financial year ended 31 December 2022 included the Granite Business, as follows:

- (c) 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.

### (ii) Geographical information

Except for the Granite business, the Group's reported segments are in Singapore. Following the disposal of GGTM during the financial year ended 31 December 2022, the Group does not have any material assets in Malaysia.

### (iii) Major customers

During the current financial year, the revenue from a group of two (2022: three) customers in the FinTech segment business amounted to approximately S\$114,590 (2022: S\$335,000) representing approximately 29% (2022: 40%) of the Group's total revenue.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 27. Segment information (continued)

	2023		
	FinTech business S\$'000	Corporate & others S\$'000	Total S\$'000
<b>Group</b>			
<b>Revenue</b>	398	—	398
<b>Results</b>			
Operating loss	(1,364)	(781)	(2,145)
Interest expense	—	(79)	(79)
Loss before income tax	(1,364)	(860)	(2,224)
Income tax	38	—	38
Loss for the financial year	(1,326)	(860)	(2,186)

	2022			
	FinTech business S\$'000	Granite business S\$'000	Corporate & others S\$'000	Total S\$'000
<b>Group</b>				
<b>Revenue</b>				
Continuing operations	828	—	—	828
Discontinued operations	—	38	—	38
	828	38	—	866
<b>Results</b>				
Operating loss	(1,777)	—	(1,142)	(2,919)
Interest expense	—	—	(17)	(17)
Loss before income tax	(1,777)	—	(1,159)	(2,936)
Income tax	(6)	—	—	(6)
Loss after income tax from continuing operations	(1,783)	—	(1,159)	(2,942)
Loss from discontinued operations	—	(200)	—	(200)
Loss for the financial year	(1,783)	(200)	(1,159)	(3,142)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 27. Segment information (continued)

	2023		
	FinTech business S\$'000	Corporate & others S\$'000	Total S\$'000
<b>Group</b>			
<b>Segment total assets</b>	3,397	393	3,790
<b>Segment total liabilities</b>	142	923	1,065
<b>Other segment information</b>			
Additions to non-current assets			
- Property, plant and equipment	–	2	2
- Intangible assets	749	–	749
Depreciation and amortisation expenses	(38)	(172)	(210)
Loss allowance for trade receivables	(27)	–	(27)

	2022			
	FinTech business S\$'000	Granite business S\$'000	Corporate & others S\$'000	Total S\$'000
<b>Group</b>				
<b>Segment total assets</b>	3,726	–	2,306	6,032
<b>Segment total liabilities</b>	519	–	688	1,207
<b>Other segment information</b>				
Impairment of goodwill and intangible assets	(1,282)	–	–	(1,282)
Additions to non-current assets				
- Property, plant and equipment	6	–	141	147
Depreciation and amortisation expenses	(9)	(39)	(260)	(308)
Loss allowance for trade receivables	(21)	–	–	(21)
Gain on disposal of subsidiaries	–	–	13	13

## 28. 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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. Financial instruments, financial risks and capital management (continued)

There has been no changes 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.

### (a) 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 8 to the financial statements.

The Group and the Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group and the Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

The Group and the Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Group considers the probability of default upon initial recognition of asset and where there has been a significant increase in credit risk on an ongoing basis throughout each reporting date. The Group's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit losses ("ECL")
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is > 60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. Financial instruments, financial risks and capital management (continued)

### (a) Credit risks (continued)

Credit risk also arises from cash balances with banks. For banks, 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 ECL. At the reporting date, the Group and the 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.

### (b) 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 and the Company do not have any significant exposure on foreign currency for both financial years.

### (c) 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, in addition to the disclosure set out in Note 4 to the financial statements, 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 and the Company'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 and the Company is expected to pay. The table includes both expected interest and principal cash flows.

	Group 2023 S\$'000	Company 2023 S\$'000
<b>Within one year</b>		
Trade and other payables (excluding deferred revenue)	847	1,046
Lease liabilities	139	139
	<u>986</u>	<u>1,185</u>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. Financial instruments, financial risks and capital management (continued)

### (c) Liquidity risks (continued)

	Within one year S\$'000	After one year but within five years S\$'000	Total S\$'000
<b>Group</b>			
<b><u>2022</u></b>			
<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>
<b>Company</b>			
<b><u>2022</u></b>			
<u>Financial liabilities</u>			
Trade and other payables (excluding deferred revenue)	1,355	—	1,355
Lease liabilities	144	144	288
	<u>1,499</u>	<u>144</u>	<u>1,643</u>

### (d) 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.

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 2022.

The Group is not subject to externally imposed capital requirements for the financial years ended 31 December 2023 and 31 December 2022.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. Financial instruments, financial risks and capital management (continued)

### (d) Capital management policies and objectives (Continued)

The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total liabilities less deferred tax liabilities, deferred revenue and cash and cash equivalents.

	Group		Company	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
Net debt/(assets)	585	(1,136)	1,023	(237)
Total equity	2,725	4,825	4,007	5,603
Gearing ratio	21.5%	N.M	25.5%	N.M

N.M - Not meaningful as total cash and cash equivalents are higher than total liabilities less of deferred tax liabilities and deferred revenue.

### (e) Fair values of financial assets and financial liabilities

The carrying amounts of the financial assets and financial liabilities with maturity of less than one year at the reporting date, approximate their fair values due to the relatively short-term maturity of these financial instruments.

The carrying amounts of the non-current financial liabilities, which bears interest at prevailing market interest rates (Level 2) approximates their fair values.

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.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28. Financial instruments, financial risks and capital management (continued)

- (f) Categories of financial instruments

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

	Group		Company	
	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets at amortised cost</u>				
Trade and other receivables	64	279	554	1,282
Cash and cash equivalents	401	2,217	162	1,864
	465	2,496	716	3,146
<u>Financial liabilities at amortised cost</u>				
Trade and other payables (excluding deferred revenue)	847	809	1,046	1,355
Lease liabilities	139	272	139	272
	986	1,081	1,185	1,627

## 29. Comparative figures

The financial statements of the Group and the Company for the financial year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on these financial statements on 11 April 2023.

## 30. Subsequent events

- (a) On 30 January 2024, the Company entered into a Placement and Call Option Agreement with Ms Tang Zhengming (a) to subscribe for an aggregate of 200,000,000 new Shares ("Placement Shares") at S\$0.003 for each Placement Shares and (b) the Company has granted 370,000,000 new Shares ("Option Shares") for a cash consideration of S\$1,110,000 ("Option Consideration") for the option exercise price of S\$0.003 per Option Shares ("Option Exercise Price"). The Option Shares may be exercised at any time within one year after 30 January 2024. The placement exercise was completed on 7 February 2024. Ms Tang Zhengming is subsequently appointed as Company's director on 1 March 2024.
- (b) On 31 March 2024, the Company invested S\$500, representing 500 ordinary shares and 5% of the issued and paid-up share capital in a newly incorporated entity, Veivo Pte. Ltd. The principal business of Veivo Pte. Ltd. is that of exclusive distribution of Veivo Services in the Asia Pacific region (excluding) China, business development, management and operation of Veivo Tech's software and Veivo Services, development of practical artificial intelligence ("AI") applications with Veivo Tech's application programming interface ("API"), and development of applications for digital assets business.

Under the joint venture shareholders' agreements and subject to terms and conditions acceptable to the Company, the Company has the exclusive right to increase its shareholdings in Veivo Pte. Ltd. to up to 51% of the total issued and paid-up share capital of Veivo Pte. Ltd., for a period of 3 years.



# STATISTICS OF SHAREHOLDINGS

As at 18 March 2024

Number of shares issued	:	5,000,582,101
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	1.70	1,071	0.00
100 - 1,000	61	4.92	43,095	0.00
1,001 - 10,000	51	4.11	371,182	0.01
10,001 - 1,000,000	888	71.61	220,799,295	4.41
1,000,001 and above	219	17.66	4,779,367,458	95.58
Total	1,240	100.00	5,000,582,101	100.00

## SHAREHOLDING HELD IN HANDS OF PUBLIC

As at 18 March 2024, approximately 51.31% 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	24.69
2	Tang Yao Zhi (Chen Yaozhi)	617,226,008	12.34
3	Tan Soo Kia	365,472,206	7.31
4	Tang Zhengming	200,000,000	4.00
5	Chua Chye Joo Andrew	182,068,967	3.64
6	Phillip Securities Pte Ltd	135,639,846	2.71
7	Lim Chiau Woei	123,548,719	2.47
8	Cedric Yap Kun Hao	120,165,490	2.40
9	Luminor Pacific Fund 1 Ltd (In Members' Voluntary Liquidation)	115,016,550	2.30
10	DBS Nominees Pte Ltd	104,177,950	2.08
11	Thong Xin Pte. Ltd.	90,000,000	1.80
12	Maybank Securities Pte. Ltd.	86,133,218	1.72
13	Koh Ah Luan	82,554,886	1.65
14	Tan Kim Seng	45,000,000	0.90
15	Neo Tian Siah	44,800,000	0.90
16	Desmond Tan Ghee Teong	43,599,998	0.87
17	OCBC Securities Private Ltd	43,269,500	0.87
18	CGS-CIMB Securities (Singapore) Pte Ltd	43,233,419	0.87
19	UOB Kay Hian Pte Ltd	40,606,408	0.81
20	Citibank Nominees Singapore Pte Ltd	40,340,700	0.81
Total:		3,757,305,880	75.14

# STATISTICS OF SHAREHOLDINGS

As at 18 March 2024

## SUBSTANTIAL SHAREHOLDERS

as recorded in the Register of Substantial Shareholders

Name	Direct Interest		Deemed Interest	
	No. of shares	%	No. of shares	%
Lim Beng Chew	1,234,452,015	24.69	—	—
Tang Yao Zhi (Chen Yaozhi)	617,226,008	12.34	—	—
Tan Soo Kia	365,472,206	7.31	—	—

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“**AGM**”) of VCPlus Limited (the “**Company**”) will be held at 223 Mountbatten Road, #03-10 Singapore 398008, on Friday, 26 April 2024 at 10:00 a.m., for the following purposes:

## 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 2023 and the Statement of Financial Position of the Company as at 31 December 2023 together with the Independent Auditor’s Report thereon. **(Resolution 1)**
2. To note the retirement of Mr. Lim Beng Chew, Mr. Chong Heng Loong, Mr. Chua Ser Miang, Mr. Gavin Mark McIntyre and Ms. Lee Kim Lian, Juliana as Directors of the Company pursuant to the Company’s Constitution.  
(See Explanatory Note (i))
3. To re-elect Mr. Ong Choon Yi in accordance with Regulation 118 of the Company’s Constitution, as Director of the Company. **(Resolution 2)**  
(See Explanatory Note (ii))
4. To re-elect Mr. Thomas Chun Pai in accordance with Regulation 118 of the Company’s Constitution, as Director of the Company. **(Resolution 3)**  
(See Explanatory Note (iii))
5. To re-elect Ms. Tang Zhengming, in accordance with Regulation 118 of the Company’s Constitution, as Director of the Company. **(Resolution 4)**  
(See Explanatory Note (iv))
6. To approve the payment of Directors’ fees of up to S\$153,000 for the financial year ending 31 December 2024, to be paid quarterly in arrears (FY2023: S\$105,000). **(Resolution 5)**
7. To re-appoint Messrs Nexia Singapore PAC, as the Auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**
8. 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:

### 9. GENERAL MANDATE TO ISSUE SHARES OR CONVERTIBLE SECURITIES **(Resolution 7)**

That pursuant to Section 161 of the Companies Act 1967 (“**Companies Act**”) and Rule 806 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual (Section B: Rules of Catalist) (“**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) allot and issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or

# NOTICE OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements or options (collectively, “**instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, 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 the 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 issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of the 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 which are outstanding or subsisting at the time of passing of this Resolution, 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;

any adjustments made 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* (v))

# NOTICE OF ANNUAL GENERAL MEETING

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

That pursuant to Section 161 of the Companies Act, 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 (vi)*)

BY ORDER OF THE BOARD

Chua Ser Miang  
Non-Executive Chairman and Lead Independent Director

Date: 11 April 2024  
Singapore



# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

- (i) Mr. Lim Beng Chew ("**Mr. Lim**"), Mr. Chua Ser Miang ("**Mr. Chua**"), Mr. Gavin Mark McIntyre ("**Mr. McIntyre**") and Ms. Lee Kim Lian, Juliana ("**Ms. Lee**") are subject to retirements pursuant to Regulation 114 of the Company's Constitution and do not wish to seek re-election at the AGM.

Mr. Lim shall be retiring at the conclusion of the AGM and stepping down as the Executive Director of the Company.

Mr. Chua shall be retiring at the conclusion of the AGM and stepping down as the Non-Executive Chairman and Lead Independent Director, Chairman of the Remuneration Committee ("**RC**") and member of the Audit Committee ("**AC**") and Nominating Committee ("**NC**").

Mr. McIntyre shall be retiring at the conclusion of the AGM and stepping down as the Independent Director, Chairman of the AC, and member of the NC and RC.

Ms. Lee shall be retiring at the conclusion of the AGM and stepping down as the Independent Director, Chairman of the NC, and member of the AC and RC.

Mr. Chong Heng Loong ("**Mr. Chong**") is subject to retirement pursuant to Regulation 118 of the Company's Constitution and does not wish to seek re-election at the AGM. Mr. Chong shall be retiring at the conclusion of the AGM and stepping down as the Executive Director and Chief Executive Officer of the Company.

- (ii) Mr. Ong Choon Yi ("**Mr. Ong**"), upon re-election as Director of the Company, will remain as an Independent Director of the Company, and will be the Chairman of the AC, NC and RC after the conclusion of the AGM. The Board considers Mr. Ong to be independent for the purposes of Rule 704(7) of the Catalyst Rules.

Mr. Ong does not have any relationship, including immediate family relationship, with other Directors, the Company or its substantial shareholders.

- (iii) Mr. Thomas Chun Pai ("**Mr. Pai**"), upon re-election as Director of the Company, will remain as the Non-Executive Non-Independent Director of the Company, and will be a member of the AC, NC and RC after the conclusion of the AGM. The Board considers Mr. Pai not independent for the purposes of Rule 704(7) of the Catalyst Rules.

Mr. Pai does not have any relationship, including immediate family relationship, with other Directors, the Company or its substantial shareholders.

- (iv) Ms. Tang Zhengming ("**Ms. Tang**"), upon re-election as Director of the Company, will remain as an Executive Director of the Company and will be a member of the NC after the conclusion of the AGM.

Ms. Tang does not have any relationship, including immediate family relationship, with other Directors, the Company or its substantial shareholders.

Detailed information (including information as required pursuant to Rule 720(5) of the Catalyst 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 2023.

- (v) The Ordinary Resolution 7 proposed in item 9 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 7 (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 7, 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 7, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalyst Rules; and (iii) any subsequent bonus issue, consolidation or subdivision of shares.
- (vi) The Ordinary Resolution 8 proposed in item 10 above, is to authorise the Directors to allot and issue shares upon the vesting of awards under the Plan.

# NOTICE OF ANNUAL GENERAL MEETING

## IMPORTANT NOTICE FOR SHAREHOLDERS:

1. The Company's AGM is being convened, and will be held, in a wholly physical format, at 223 Mountbatten Road, #03-10 Singapore 398008, on Friday, 26 April 2024 at 10:00 a.m.. **There will be no option for members to participate in the AGM virtually.**

The Annual Report, Notice of AGM and the accompanying proxy form will be made available on the Company's website at <https://www.vcplus.sg> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>. A member will need an internet browser and PDF reader to view these documents. Printed copies of this Notice of AGM and the accompanying proxy form will be sent to members via post.

Printed copy of the Annual Report will **NOT** be sent to members. A member who wishes to obtain a printed copy of the Annual Report should request the same via email to [enquiry@vcplus.sg](mailto:enquiry@vcplus.sg) no later than 10:00 a.m. on 16 April 2024 and provide his/her/its full name as per CDP/CPF/SRS records, NRIC/Passport Number/Company Registration Number, mailing address and the manner in which shares are held (e.g. via CDP, CPF or SRS, or physical script(s)) in the email. Failing which the request will not be processed.

2. Members (including Central Provident Fund ("CPF") Investment Scheme members ("CPF Investors") and/or Supplementary Retirement Scheme investors ("SRS Investors")) may participate in the AGM by:
  - a. attending the AGM in person;
  - b. raising questions at the AGM or submitting questions in advance of the AGM; and/or
  - c. voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10:00 a.m. on 17 April 2024, being seven (7) working days prior to the date of the AGM.

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

3. Members are encouraged to submit questions relating to the resolution to be tabled for approval at the AGM in advance in the following manner:
  - (a) if submitted by post, to the Company's office at 223 Mountbatten Road, #03-10 Singapore 398008, attention to VCPlus AGM; or
  - (b) If submitted electronically, by email to [enquiry@vcplus.sg](mailto:enquiry@vcplus.sg).

All questions for the AGM must be submitted by 10:00 a.m. on 19 April 2024.

After the cut-off time for the submission of questions, any subsequent clarifications sought or follow-up questions will be addressed at the AGM.

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

- the member's full name (for individuals)/company name (for corporations) 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, or physical script(s)).

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 22 April 2024 (being not less than forty-eight (48) hours prior to the closing date and time for the lodgment of the proxy forms).

Where substantial relevant questions submitted by Shareholders are unable to be addressed prior to the AGM, the Company will address them during the AGM. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXNET and the Company's website at <https://www.vcplus.sg/investor-relations/> within one (1) month from the date of the AGM. The minutes would include the responses to the substantial and relevant questions addressed at the AGM.

4. A member who is not a Relevant Intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.

A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, 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, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.



# NOTICE OF ANNUAL GENERAL MEETING

“**Relevant Intermediary**” has the meaning prescribed to it in Section 181 of the Companies Act:

- a. a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- b. a person holding a capital markets services licence holder to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- c. the CPF Board established by the CPF Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

A member can appoint the Chairman of the AGM as his/her/its proxy **but** this is **not mandatory**.

If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

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 be deposited:
  - a) if sent personally or by post, be received by 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](mailto:main@zicoholdings.com) (e.g. a clear scanned signed form in PDF),

in either case, by 10:00 a.m. on **24 April 2024** (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 encouraged to submit completed proxy forms electronically via email.**

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).
9. In the case of a member whose shares are entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have any shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

## Personal data privacy:

“**Personal data**” in this Notice of AGM has the same meaning as “personal data” in the Personal Data Protection Act 2012, which includes your name, address and NRIC/Passport number.

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes to be prepared in respect of the AGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the AGM 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 the Republic of Singapore)  
(Registration No. 201531549N)

## PROXY FORM – ANNUAL GENERAL MEETING

(Please see notes overleaf before completing this Form)

### IMPORTANT:

- For investors who have used their Central Provident Fund (“CPF”) and/or Supplementary Retirement Scheme (“SRS”) monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them
- CPF and/or SRS investors are requested to contact their respective Agent Banks at least seven (7) working days before the AGM to specify voting instructions and to ensure that their votes are submitted.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC / Passport / Company Registration Number\*)

of \_\_\_\_\_ (Address)

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

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

\*and/or

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

or failing him/her/them\*, the Chairman of the Annual General Meeting of the Company (the “AGM”) as my/our\* proxy(ies) to attend, speak and vote for me/us\* on my/our\* behalf at the AGM to be held at 223 Mountbatten Road #03-10, Singapore 398008 on Friday, 26 April 2024 at 10:00 a.m. and at any adjournment thereof. I/We\* direct my/our\* proxy(ies) 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 will vote or abstain from voting at his/her discretion.

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

*(If you wish your proxy to cast all your votes “For” or “Against” a resolution, please tick (✓) in the “For” or “Against” box provided. Alternatively, please indicate the number of votes as appropriate. If you wish your proxy to abstain from voting on a resolution, please tick (✓) in the “Abstain” box provided. Alternatively, please indicate the number of shares that your proxy is directed to abstain from voting in the “Abstain” box in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on the resolution if no voting instruction is specified, and on any other matter arising at the AGM and at any adjournment thereof. In the absence of specific directions in respect of the resolution, the appointment of the Chairman of the AGM as your proxy for the resolution will be treated as invalid.)*

No.	Resolutions	For	Against	Abstain
	<b>ORDINARY BUSINESS</b>			
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 2023 and the Statement of Financial Position of the Company as at 31 December 2023 together with the Independent Auditor’s Report thereon			
2.	To re-elect Mr. Ong Choon Yi as a Director of the Company			
3.	To re-elect Mr. Thomas Chun Pai as a Director of the Company			
4.	To re-elect Ms. Tang Zhengming as a Director of the Company			
5.	To approve the payment of Directors’ fees of up to S\$153,000 for the financial year ending 31 December 2024, to be paid quarterly in arrears			
6.	To re-appoint Messrs Nexia Singapore PAC as Auditor of the Company and to authorise the Directors to fix their remuneration			
	<b>SPECIAL BUSINESS</b>			
7.	To authorise the Directors to allot and issue new shares			
8.	To authorise the Directors to allot and issue shares on the vesting of awards under the Anchor Resources Employee Performance Share Plan			

\* Delete as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Total Number of Shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

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

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

## NOTES TO PROXY FORM:

1. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members of the Company, he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members of the Company, he/she/it should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
2. A member 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, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.
3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM 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, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

**"Relevant Intermediary"** has the meaning prescribed to it in Section 181 of the Companies Act 1967:

- a. a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- b. a person holding a capital markets services licence holder to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- c. the CPF Board established by the CPF Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

The proxy need not be a member of the Company. Please note that if any of your shareholdings are not specified in the list provided by the Relevant Intermediary to the Company, the Company has the sole discretion to disallow the participation of the said proxy at the AGM.

A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

4. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his/her/its attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument of proxy may be treated as invalid.
5. The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be deposited in the following manner:
  - a. if sent personally or by post, be received by 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 electronically, be received by the Company's Share Registrar, B.A.C.S. Private Limited, via email at [main@zicoholdings.com](mailto:main@zicoholdings.com) (e.g. a clear scanned signed form in PDF),

in either case, by 10:00 a.m. on 24 April 2024 (being not less than forty-eight (48) hours before the time appointed for holding the AGM) 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.**

6. Please indicate with a tick [✓] in the spaces provided whether you wish your vote(s) to be for or against the Resolution(s) or to abstain from voting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matter arising at the meeting.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or 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.
8. Completion and return of the Proxy Form by a member will not prevent him/her/it from attending, speaking and voting at the AGM if he/she/it so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
9. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) should not make use of this Proxy Form and should instead approach their respective Relevant Intermediary as soon as possible to specify voting instructions. CPF Investors / SRS Investors who wish to vote should approach their respective CPF Agent Bank / SRS Operator at least seven (7) working days before the AGM (i.e. by 17 April 2024), to ensure that their votes are submitted.
10. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the meeting as certified by The Central Depository (Pte) Limited to the Company.

## Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 April 2024.

