



**CONDENSED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 JUNE 2022**

**SINJIA LAND LIMITED**

Incorporated in the Republic of Singapore  
Company Registration Number – 200402180C

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	GROUP	
		6 months ended 31 December 2022	6 months ended 30 June 2021
		(Unaudited) \$'000	(Unaudited) \$'000
Revenue	3 (b)	246	194
Costs of sales		(264)	(293)
Gross loss		(18)	(99)
Other income		9	39
Other credits		51	1
Expenses			
- Administrative		(963)	(843)
- Interest		(3)	-
- Other charges		-	(91)
<b>Loss before income tax</b>	4	(924)	(993)
Income tax expenses	5	(1)	-
<b>Loss after income tax</b>		(925)	(993)
<b>Other comprehensive income:</b>			
Item that will not be reclassified subsequently to profit or loss			
- Exchange differences on translating foreign operations		2	-
<b>Other comprehensive loss, net of tax</b>		2	-
<b>Total comprehensive loss</b>		(923)	(993)
<b>Loss attributable to:</b>			
Equity holders of the Company		(910)	(966)
Non-controlling interest		(15)	(27)
		(925)	(993)
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the Company		(908)	(966)
Non-controlling interest		(15)	(27)
		(923)	(993)
<b>Loss per share for loss attributable to equity holder of the Company (cents per share)</b>			
Basis and diluted loss per share	6	(0.49)	(0.55)

## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
		(Unaudited) \$'000	(Audited) \$'000	(Unaudited) \$'000	(Audited) \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Trade and other receivables		563	151	896	1,290
Other current assets	8	1,093	115	1,029	55
Financial assets, at fair value through profit or loss ("FVPL")	9	-	-	-	-
Cash and cash equivalents		1,670	902	1,430	666
		3,326	1,168	3,355	2,011
Property classified as held-for-sale	10	-	324	-	-
		3,326	1,492	3,355	2,011
<b>Non-current assets</b>					
Financial assets, at fair value through other comprehensive income ("FVOCI")	11	-	-	-	-
Investments in an associated company		-	-	-	-
Investments in subsidiary corporations		-	-	3,982	3,982
Plant and equipment		250	359	5	6
Investment properties	12	1,113	1,631	1,113	1,080
		1,363	1,990	5,100	5,068
<b>Total assets</b>		<b>4,689</b>	<b>3,482</b>	<b>8,455</b>	<b>7,079</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		309	385	225	291
Borrowings	13	224	215	3,901	3,914
Income tax liabilities		-	2	-	-
		533	602	4,126	4,205
<b>Non-current liability</b>					
Borrowings	13	19	132	-	-
		19	132	-	-
<b>Total liabilities</b>		<b>552</b>	<b>734</b>	<b>4,126</b>	<b>4,205</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	14	27,559	25,247	27,559	25,247
Treasury shares	14	(2,602)	(2,602)	(2,602)	(2,602)
Accumulated losses		(17,707)	(16,797)	(17,484)	(16,627)
Other reserves		(3,142)	(3,144)	(3,144)	(3,144)
		4,108	2,704	4,329	2,874
<b>Non-controlling interests</b>		29	44	-	-
<b>Total equity</b>		<b>4,137</b>	<b>2,748</b>	<b>4,329</b>	<b>2,874</b>
<b>Total equity and liabilities</b>		<b>4,689</b>	<b>3,482</b>	<b>8,455</b>	<b>7,079</b>

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	GROUP	
		6 months ended 30 June 2022	6 months ended 30 June 2021
		(Unaudited) \$'000	(Unaudited) \$'000
<b>Cash flows from operating activities</b>			
Net loss after income tax		(925)	(993)
Adjustments for:			
- Depreciation of plant and equipment	4.1	112	136
- Fair value loss of financial assets, at FVPL	4.1	-	91
- Fair value gain on investment property	4.1	(33)	-
- Income tax expenses	5	1	-
- Interest expenses		3	-
- Gain on disposal of property classified as held-for-sale	4.1	(11)	-
- Gain on disposal of investment property	4.1	(15)	-
- Unrealised currency translation losses		20	13
- Write off of other payables	4.1	(14)	-
<b>Operating cash flows before working capital changes</b>		<b>(862)</b>	<b>(753)</b>
<b>Change in working capital:</b>			
- Trade and other receivables		109	4
- Other current assets		(978)	-
- Trade and other payables		(73)	(104)
<b>Cash flows used in operations</b>		<b>(1,804)</b>	<b>(853)</b>
Income tax paid		(3)	-
<b>Net cash used in operating activities</b>		<b>(1,807)</b>	<b>(853)</b>
<b>Cash flows from investing activities</b>			
Additions to plant and equipment		(3)	-
Proceeds from disposal of property classified as held-for-sale, net of direct expenses		331	-
Proceeds from disposal of investment property , net of direct expenses		42	-
<b>Net cash generated from investing activities</b>		<b>370</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Net proceeds from issuance of shares	14	2,312	-
Principal payment of lease liabilities		(104)	(140)
Interest paid		(3)	-
<b>Net cash generated from/(used in) financing activities</b>		<b>2,205</b>	<b>(140)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>768</b>	<b>(993)</b>
<b>Cash and cash equivalents</b>			
Beginning of financial period		902	2,594
<b>End of financial period</b>		<b>1,670</b>	<b>1,601</b>

## CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company					Non-Controlling Interests \$'000	Total Equity \$'000
	Share Capital \$'000	Tresury Shares \$'000	Accumulated Losses \$'000	Other Reserves \$'000	Subtotal \$'000		
<b>Group</b>							
<b>2022</b>							
<b>As at 1 January (audited)</b>	25,247	(2,602)	(16,797)	(3,144)	2,704	44	2,748
Loss for the period	-	-	(910)	-	(910)	(15)	(925)
Other comprehensive loss for the period	-	-	-	2	2	-	2
Total comprehensive loss for the period	-	-	(910)	2	(908)	(15)	(923)
Issue of shares	2,312	-	-	-	2,312	-	2,312
<b>As at 30 June (unaudited)</b>	<b>27,559</b>	<b>(2,602)</b>	<b>(17,707)</b>	<b>(3,142)</b>	<b>4,108</b>	<b>29</b>	<b>4,137</b>
<b>2021</b>							
<b>As at 1 January (audited)</b>	25,247	(2,602)	(14,823)	(3,144)	4,678	95	4,773
Loss for the period	-	-	(966)	-	(966)	(27)	(993)
Other comprehensive loss for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(966)	-	(966)	(27)	(993)
<b>As at 30 June (unaudited)</b>	<b>25,247</b>	<b>(2,602)</b>	<b>(15,789)</b>	<b>(3,144)</b>	<b>3,712</b>	<b>68</b>	<b>3,780</b>
<b>Company</b>							
<b>2022</b>							
<b>As at 1 January (audited)</b>	25,247	(2,602)	(16,627)	(3,144)	2,874	-	2,874
Loss for the year	-	-	(857)	-	(857)	-	(857)
Other comprehensive loss for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(857)	-	(857)	-	(857)
Issue of shares	2,312	-	-	-	2,312	-	2,312
<b>As at 30 June (unaudited)</b>	<b>27,559</b>	<b>(2,602)</b>	<b>(17,484)</b>	<b>(3,144)</b>	<b>4,329</b>	<b>-</b>	<b>4,329</b>
<b>2021</b>							
<b>As at 1 January (audited)</b>	25,247	(2,602)	(14,790)	(3,144)	4,711	-	4,711
Loss for the year	-	-	(843)	-	(843)	-	(843)
Other comprehensive loss for the year	-	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(843)	-	(843)	-	(843)
<b>As at 30 June (unaudited)</b>	<b>25,247</b>	<b>(2,602)</b>	<b>(15,633)</b>	<b>(3,144)</b>	<b>3,868</b>	<b>-</b>	<b>3,868</b>

## **SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **1. General information**

Sinjia Land Limited (the “Company”) is a Company incorporated in the Republic of Singapore and is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group). The principal activity of the Company is that of an investment holding company.

The principal activities of the Group are:

- (a) Investment holding; and
- (b) Lodging and boarding houses and backpackers'hostel.

### **2. Basis of Preparation**

#### **2.1 Statement of compliance**

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

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

#### **2.2 New and amended standards adopted by the Group**

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

#### **2.3 Use of estimates and judgements**

The preparation of condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed as follow:

##### ***Valuation of investment properties***

As disclosed in Note 10.1 and Note 12.1 to the condensed interim financial statements, investment properties are stated at fair value based on valuations performed by independent professional valuers. In determining the fair value, the valuers have used a valuation method which involves certain estimates. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation method is reflective of current market conditions and the estimations used are appropriate.

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**2. Basis of Preparation (continued)**

**2.4 Seasonal operations**

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

**3. Segment and Revenue Information**

**Segment information**

The Chief Executive Officer ("CEO") is the Group's chief operating decision maker. Management has determined the operating segments based on the reports reviewed by the CEO that are used to make strategic decisions, allocate resources and assess performance.

The Group's principal businesses are as follows:

- (1) The Hospitality Management ("HM") segment manages and operates lodging and boarding houses and backpackers' hostels.
- (2) The Corporate ("IH") segment is involved in Group level corporate services, treasury functions and investments. It derives its income substantially from inter-company transactions and rental earned from investment properties.

	<u>HM</u> \$'000	<u>IH</u> \$'000	<u>GROUP</u> \$'000
<b><u>From 1 January 2022 to 30 June 2022</u></b>			
Sales to external parties	238	8	246
Adjusted EBITDA	40	(849)	(809)
Depreciation (Note 4.1)	(110)	(2)	(112)
<b><u>30 June 2022</u></b>			
Segment assets	311	2,708	3,019
Segment assets includes:			
Additions to:			
- Plant and equipment	3	-	3
Segment liabilities	66	243	309



**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**3. Segment and Revenue Information (continued)**

**Segment information (continued)**

	<u>HM</u> \$'000	<u>IH</u> \$'000	<u>GROUP</u> \$'000
<b><u>From 1 January 2021 to 30 June 2021</u></b>			
Sales to external parties	189	5	194
Adjusted EBITDA	3	(860)	(857)
Depreciation (Note 4.1)	(135)	(1)	(136)
<b><u>31 December 2021</u></b>			
Segment assets	423	1,833	2,256
Segment assets includes:			
Additions to:	439	4	443
- Plant and equipment			
Segment liabilities	85	300	385

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators: (1) earnings from operations before depreciation, amortisation, interests and income taxes ("**EBITDA**").

No separate segmental assets and liabilities by segment business are presented as management is of the opinion that it is impracticable to separate assets and liabilities for each business segment. Additionally, the measurement of total assets and liabilities for each reportable segment is not used by the Board of Directors when making operating decisions about allocating resources to the business segment and assessing its performance.

*(a) Reconciliations*

*(i) Segment losses*

A reconciliation of adjusted EBITDA to loss before tax is as follows:

	<b>GROUP</b>	
	<b>6 months ended 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
Total adjusted EBITDA	(809)	(857)
Depreciation	(112)	(136)
Interest expense	(3)	-
Loss before tax	(924)	(993)

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**3. Segment and Revenue Information (continued)**

**Segment information (continued)**

*(a) Reconciliations (continued)*

*(ii) Segment assets*

The amounts reported to the Chief Executive Officer with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than cash and cash equivalents and property classified as held-for-sale.

Segment assets are reconciled to total assets as follows:

	<b>GROUP</b>	
	<b>30 June 2022</b>	<b>31 December</b>
	<b>\$'000</b>	<b>2021</b>
		<b>\$'000</b>
Segment assets for reportable segments	3,019	2,256
Unallocated:		
- Cash and cash equivalents	1,670	902
- Property classified as held-for-sale	-	324
	<hr/>	<hr/>
Total assets	<u>4,689</u>	<u>3,482</u>

*(iii) Segment liabilities*

The amounts provided to the Chief Executive Officer with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than income tax liabilities and borrowings.

Segment liabilities are reconciled to total liabilities as follows:

	<b>GROUP</b>	
	<b>30 June 2022</b>	<b>31 December</b>
	<b>\$'000</b>	<b>2021</b>
		<b>\$'000</b>
Segment liabilities for reportable segments	309	385
Unallocated:		
- Income tax liabilities	-	2
- Borrowings	243	347
	<hr/>	<hr/>
Total liabilities	<u>552</u>	<u>734</u>

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**3. Segment and Revenue Information (continued)**

**Segment information (continued)**

*(b) Revenue from lodging service and rental income*

Revenues from external customers are derived mainly from lodging service and rental income.

The breakdown of the Group's revenue by services as below:

**Disaggregation of revenue from contracts with customers**

	<b>GROUP</b>	
	<b>6 months ended 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
<u>At a point in time</u>		
Lodging service(1)	151	125
<u>Over time</u>		
Rental income(2)	95	69
Total revenue	246	194

(1) The revenue from lodging service is derived in Singapore.

(2) Rental income is derived from rental income from subleasing the hostel premise in Singapore and rental income from investment properties in Malaysia as below:

	<b>6 months ended 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
Malaysia	8	5
Singapore	87	64
Total revenue	95	69

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**3. Segment and Revenue Information (continued)**

*(c) Geographical information*

The Group's business segments operate in Singapore and Malaysia.

The Company is headquartered and has operations in Singapore. The operations in this area are principally hospitality management and investment holding.

	<b>Non-current assets</b>	
	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Malaysia	-	550
Singapore	250	360
United States	1,113	1,080
	<u>1,363</u>	<u>1,990</u>

**4. Loss before income tax**

**4.1 Significant Items**

	<b>GROUP</b>	
	<b>6 months ended 30 June 2022</b>	<b>6 months ended 30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Income /(Expenses)</b>		
Currency exchange gains/(loss)-net	(22)	(13)
Depreciation of plant and equipment	(112)	(136)
Fair value losses of financial assets, at FVPL	-	(91)
Fair value gain on investment property	33	-
Gain on disposal of property classified as held for sale	11	-
Gain on disposal of an investment property	15	-
Write off of other payables	14	-
	<u>14</u>	<u>-</u>

**4.2. Related Party Transactions**

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**5. Income tax expenses**

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

	<b>GROUP</b>	
	<b>6 months ended 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
Current income tax expenses	1	-

**6. Loss per share**

Basic and diluted loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of shares outstanding during the financial period.

	<b>GROUP</b>	
	<b>6 months ended 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
Loss attributable to the equity holders of the Company (\$'000)	(910)	(966)
Weighted average number of ordinary shares ('000)	184,319	177,073
Basic and diluted loss per share (cents per share)	(0.49)	(0.55)

**7. Net asset value per share**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30 June 2022 \$'000</b>	<b>31 December 2021 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>31 December 2021 \$'000</b>
Net asset value per share based on existing issued share capital as at the respective dates (cents)	1.98	1.53	2.09	1.62

Net asset value per share of the Group and the Company is calculated based on 207,072,685 issued shares (excluding treasury shares) as at 30 June 2022 (31 December 2021: 177,072,685 issued shares (excluding treasury shares)).

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**8. Other current assets**

	GROUP		COMPANY	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Refundable deposit paid to Binex Inc (a)	1,000	-	1,000	-
Other deposits	64	64	20	20
Prepayments	29	51	9	35
	1,093	115	1,029	55

- (a) On 31 January 2022, the Company entered into a sale and purchase agreement (the “SPA”) with BINEX Inc., 3DOM Inc., Biomass Energy Corporation, Mebius Inc. and Future Science Research Inc. (collectively, the “Vendors”), in relation to the proposed acquisition of the entire issued and paid-up share capital of BINEX Singapore (Pte. Ltd.) (the “Target”), a company incorporated in the Republic of Singapore, by the Company.

On 23 June 2022, the Company entered into a deposit agreement (the “Deposit Agreement”) with BINEX Inc. (“BINEX Japan”), pursuant to which the Company shall make a refundable deposit of \$1,000,000 to BINEX Japan.

The salient terms and conditions of the Deposit Agreement are set out below: -

- (i) Purpose  
BINEX Japan shall undertake to use its best efforts to procure that the Vendors enter into a supplemental agreement with the Company on a timely basis, to supplement and amend the SPA, including without limitation to an extension of the Long-Stop Date by nine (9) months from 31 March 2023 to 31 December 2023.
- BINEX Japan shall also apply the Deposit towards the RTO Costs and any related expenses, provided always that the prior written consent of the Company is obtained.
- (ii) Term  
The term of the Deposit shall commence on the date on which the Deposit is made, which is 27 June 2022, up till and including the Completion Date or date of termination of the SPA, whichever is the earlier (the “Term”).
- (iii) Interest  
The Deposit shall be interest-free, save for the case whereby BINEX Japan fails to refund the Deposit in full or in part (as the case may be) when it falls due, interest shall accrue daily at a gross interest rate of 18.0% per annum on the outstanding amount of the Deposit from the due date until the date on which the said amount is refunded to the Company.

## SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 8. Other current assets (continued)

The salient terms and conditions of the Deposit Agreement are set out below (continued): -

- (iv) Refund  
The Deposit shall be refunded in full by BINEX Japan to the Company under any of the following circumstances:
- (i) on the expiry of the Term;
  - (ii) in the event that the Long-Stop Date is not extended by 30 September 2022; or
  - (iii) in the event that there is no satisfactory corporate development by BINEX Japan as at 31 March 2023, as determined by the Company in its sole discretion, the Company shall exercise its right to call for the Deposit to be refunded.

Notwithstanding the abovementioned, in the event that the Deposit is applied towards the RTO Costs and any related expenses with the prior written consent of the Company, BINEX Japan shall only refund any remaining amount of the Deposit to the Company.

- (v) Costs and Expenses  
Each party shall bear its own costs, legal fees and other expenses incurred in connection with the negotiation, preparation, printing and execution of the Deposit Agreement and the transactions to be entered into as contemplated therein.

### 9. Financial assets, at FVPL

In previous financial years, the Group had subscribed for redeemable participating shares in an investment fund named Fortune Asia Long Short Fund (the "Fund").

The investment objective of the Fund is to achieve long term capital growth through investments in equities which are publicly traded and listed in recognised stock exchanges in Asia (excluding Japan) and/or equities which are publicly traded or listed in recognised stock exchanges outside Asia, of issuers whose revenue is derived substantially from business activities or operations in Asia.

	<b>GROUP AND COMPANY</b>	
	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Beginning of financial period/year	-	282
Fair value losses	-	(154)
Redemption	-	(128)
End of financial period/year	<u>-</u>	<u>-</u>
Current		
Non-listed equity security, Singapore	<u>-</u>	<u>-</u>

The instruments are all mandatorily measured at fair value through profit or loss. The investment has been fully redeemed as at 31 December 2021.

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**10. Property classified as held-for-sale**

In December 2021, management committed to plan to sell one-plot of investment property located in Kulai, Malaysia. Accordingly, the specific unit of investment property was presented as property classified as held-for-sale. On 10 May 2022, the Group and the Company have completed the sale transactions.

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30 June 2022 \$'000</b>	<b>31 December 2021 \$'000</b>	<b>30 June 2022 \$'000</b>	<b>31 December 2021 \$'000</b>
Beginning of financial period/year	324	-	-	-
Transfer from investment property (Note 12)	-	324	-	-
Disposal	(324)	-	-	-
End of the financial period/year	-	324	-	-

As at 31 December 2021, the details of the Group's property classified as held-for-sale is as follows:

<b><u>Location</u></b>	<b><u>Description</u></b>	<b><u>Existing use</u></b>	<b><u>Tenure</u></b>	<b><u>Valuation Date</u></b>
Nos. 22, Jalan Dataran Kulai 2, Taman Dataran Kulai, 81000 Kulai, Johor	2,161 sq. ft. Building (100% interest)	Vacant	Freehold	31 December 2021

**10.1 Valuation**

The property classified as held-for-sale was measured at fair value using significant other observable inputs (Level 2).

**Valuation techniques and inputs used to derive Level 2 fair values**

Level 2 fair values of the Group's properties were derived using the sales comparison approach. Sales prices of comparable properties in close proximity were adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is the comparative indicators that are abstracted from sales of similar sites and applied to the appraised site.

**Valuation processes of the Group**

The Group had engaged external, independent and qualified valuers to determine the fair value of the Group's property based on the property's highest and best use.



**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**11. Financial assets, at FVOCI**

	<b>GROUP AND COMPANY</b>	
	<b>30 June 2022</b>	<b>31 December 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Non-current assets		
Unquoted security		
Equity security – Singapore <sup>(a)</sup>	-	-

(a) Consists of 7,824,000 shares, initially valued at \$0.42 each, of a company listed on the Main Board of the SGX-ST. On 27 August 2021, this company was delisted from the Main Board of the SGX-ST. The financial assets have been fully impaired as at reporting date.

**12. Investment properties**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30 June</b>	<b>31</b>	<b>30 June</b>	<b>31</b>
	<b>2022</b>	<b>December</b>	<b>2022</b>	<b>December</b>
	<b>\$'000</b>	<b>2021</b>	<b>\$'000</b>	<b>\$'000</b>
Beginning of financial period/year	1,631	1,966	1,080	1,078
Fair value gain	33	2	33	2
Translation differences	-	(13)	-	-
Transfer to properties classified as held-for-sale (Note 10)	-	(324)	-	-
Disposal	(551)	-	-	-
End of financial period/year	1,113	1,631	1,113	1,080

The details of the Group's investment properties as at 30 June 2022 and 31 December 2021 are as follows:

<b><u>Location</u></b>	<b><u>Description</u></b>	<b><u>Existing use</u></b>	<b><u>Tenure</u></b>	<b><u>Valuation Date</u></b>
<b>30 June 2022</b>				
30th Avenue SW and Interstate 94 Dickinson, North Dakota 58601	125 acres land (100% interest)	Vacant	Freehold	31 December 2021
<b>31 December 2021</b>				
30th Avenue SW and Interstate 94 Dickinson, North Dakota 58601	125 acres land (100% interest)	Vacant	Freehold	31 December 2021
Nos. 23, Jalan Dataran Kulai 2, Taman Dataran Kulai, 81000 Kulai, Johor	3,145 sq. ft. Building (100% interest)	Partial Rent	Freehold	31 December 2021

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**12. Investment properties (continued)**

**12.1 Valuation**

The investment properties are measured at fair value using significant other observable inputs (Level 2).

Valuation techniques and inputs used to derive Level 2 fair values

Level 2 fair values of the Group's properties were derived using the sales comparison approach. Sales prices of comparable properties in close proximity were adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is the comparative indicators that are abstracted from sales of similar sites and applied to the appraised site.

Valuation processes of the Group

The Group had engaged external, independent and qualified valuers to determine the fair value of the Group's properties based on the properties' highest and best use.

**13. Borrowings**

	GROUP		COMPANY	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Current				
Loan from subsidiary corporation <sup>(a)</sup>	-	-	3,901	3,914
Lease liabilities	224	215	-	-
	<u>224</u>	<u>215</u>	<u>3,901</u>	<u>3,914</u>
Non-current				
Lease liabilities	19	132	-	-
Total borrowings	<u>243</u>	<u>347</u>	<u>3,901</u>	<u>3,914</u>

(a) The loan from subsidiary corporation is unsecured, interest free and repayable on demand.

*Security granted*

Total borrowings include secured liabilities of \$243,000 (31 December 2021: \$347,000) for the Group. Lease liabilities of the Group are secured over leased hostel premise.

**SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(continued)**

**14. Share capital and treasury shares**

	<u>No. of ordinary shares</u>		<u>Amount</u>	
	<u>Issued share capital</u> <u>'000</u>	<u>Treasury shares</u> <u>'000</u>	<u>Issued share capital</u> <u>\$'000</u>	<u>Treasury shares</u> <u>\$'000</u>
<b>GROUP AND COMPANY</b>				
<b>30 June 2022</b>				
Beginning of financial period	192,051	(14,978)	25,247	(2,602)
Issued during the period	30,000	-	2,312	-
End of financial period	<u>222,051</u>	<u>(14,978)</u>	<u>27,559</u>	<u>(2,602)</u>
<b>31 December 2021</b>				
Beginning and end of financial year	<u>192,051</u>	<u>(14,978)</u>	<u>25,247</u>	<u>(2,602)</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividend as and when declared by the Company.

On 3 June 2022, the Company completed the issuance of 30,000,000 fully paid ordinary shares of \$0.082 per share pursuant to a share placement exercise. Share issue expenses incurred were \$147,600.

## OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C

### SHARE CAPITAL AND TREASURY SHARES

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

	<b>Issued and paid-up ordinary shares</b>	<b>Share capital \$'000</b>
Balance as at 31 December 2021	177,072,685	25,247
Issued during the period	30,000,000	2,312
Balance as at 30 June 2022	<u>207,072,685</u>	<u>27,559</u>

	<b>Number of treasury shares</b>	<b>Number of shares outstanding</b>	<b>Percentage of the aggregate number of treasury shares held against the total number of shares outstanding</b>
As at 30 June 2022	14,978,000	207,072,685	7.23%
As at 31 December 2021	14,978,000	177,072,685	8.46%

There were no outstanding convertibles or subsidiary holdings as at 31 December 2021 and 30 June 2022.

**1(a) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

Total number of issued shares excluding treasury shares as at 30 June 2022 was 207,072,685 (31 December 2021: 177,072,685).

**1(b) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

There was no sale, transfer, cancellation and/or use of treasury shares for the financial period ended 30 June 2022.

## **OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)**

### **SHARE CAPITAL AND TREASURY SHARES (CONTINUED)**

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

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

### **AUDIT or REVIEW**

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

The figures have not been audited or reviewed by external auditors.

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

Not applicable.

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

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

Not applicable.

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

Not applicable.

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

### **ACCOUNTING POLICIES**

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

The Group has applied the same accounting policies and methods of computation in the condensed interim financial statements for the current financial period compared with those used in the audited financial statements for the financial year ended 31 December 2021.

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

Not applicable.

## **OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)**

### **REVIEW OF GROUP PERFORMANCE**

#### **Income Statement**

Revenue increased by 26% from \$0.19 million in 1 half year ("HY") 2021 to \$0.24 million in 1HY2022. The increase was primarily due to (i) a subsidiary of the Company rented out backyard from 16 May 2021, hence rental earned from backyard increased from \$5,600 in 1HY2021 to \$25,000 in 1HY2022 and (ii) increase in revenue from hostel guests due to opening of border from 1 April 2022 compared to closure of border during 1HY2021.

Despite increase in revenue by 26%, costs of sales decreased by 10% from \$0.29 million in 1HY2021 to \$0.26 million in 1HY2022. This was due to depreciation of right-of-use for the hostel decreased from \$0.13 million in 1HY2021 to \$0.11 million in 1HY2022.

Other income in 1HY2022 of \$9,000 (1HY2021: \$39,000) relates to mainly from (i) Job Support Scheme from Singapore Government of \$Nil (1HY2021: \$20,000) (ii) Rental rebate of \$Nil (1HY2021: \$15,000) and (iii) Other government grant of approximately \$8,000 (1HY2021: \$3,000).

Other credits increased by \$50,000 from \$1,000 in 1HY2021 to \$51,000 in 1HY2022. The other credits in 1HY2022 mainly (i) gain on disposal of property classified as held-for sale of \$11,000, (ii) gain on disposal of investment property of \$15,000 (iii) write off of other payables of \$14,000 (iv) currency exchange loss of \$22,000 and (v) fair value gain on investment property of \$33,000.

Administrative expenses increased by \$0.12 million, from \$0.84 million in 1HY2021 to \$0.96 million in 1HY2022, mainly due to (i) \$0.10 million for professional fees in relation to the proposed acquisition of BINEX (Singapore) Pte. Ltd. (1HY2021: \$Nil) and (ii) \$0.01 million for professional fees in relation to review of shares placement documents (1HY2021: \$Nil).

Finance costs relates to interest on lease liabilities.

Other charges of \$0.09 million in 1HY2021 mainly due to fair value loss of \$0.09 million on financial assets (at fair value through profit or loss) in the Company's investment fund (namely, Fortune Asia Long Short Fund). This financial asset has been fully redeemed as at 31 December 2021.

As a result of the above, the Group registered a net loss before tax of \$0.92 million in 1HY2022, as compared to \$0.99 million in 1HY2021. The Group posted a loss attributable to equity holders of the Company of \$0.91 million in 1HY2022, as compared to \$0.97 million in 1HY2021.

#### **Financial Position**

##### **Current Assets**

The Group's current assets increased by \$1.83 million to \$3.32 million as at 30 June 2022, from \$1.49 million as at 31 December 2021. The Group's current assets as at 30 June 2022 comprised trade and other receivables of \$0.56 million, other current assets of \$1.09 million and cash and cash equivalents of \$1.67 million.

Trade and other receivables amounted to \$0.56 million (31 December 2021: \$0.15 million) as at 30 June 2022. This was mainly caused by receivables from disposal of one-plot of investment property located in Kulai, Malaysia of \$0.53 million and good and services tax receivables of \$0.03 million related mainly to professional fees incurred in quarter 2 of 2022 for the shares placement exercise and purchase of Binex (Singapore) Pte. Ltd.

## **OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)**

### **REVIEW OF GROUP PERFORMANCE (continued)**

#### **Financial Position (continued)**

##### **Current Assets (continued)**

Other current assets increased from \$0.11 million as at 31 December 2021 to \$1.09 million as at 30 June 2022 due to refundable deposit paid to BINEX Japan of \$1.00 million (31 December 2021: \$Nil) as a result of deposit agreement entered on 23 June 2022. Please refer to Note 8 under section "Selected notes to the condensed interim consolidated financial statements" for details of the said deposit.

Cash and cash equivalents increased by \$0.77 million, from \$0.90 million as at 31 December 2021 to \$1.67 million as at 30 June 2022. The fluctuation was caused by (i) cash outflows to fund the operating activities of the Group of approximately \$1.81 million, (ii) cash inflows from issuance of shares of \$2.31 million and (iii) cash inflows from disposals of properties of \$0.37 million. Please refer to the section on "Consolidated Statement of Cash Flows" below for the reasons on the increase in cash and cash equivalents.

In December 2021, management committed to plan to sell one-plot of investment property located in Kulai, Malaysia. Accordingly, the specific unit of investment property was presented as property classified as held-for-sale with fair value of \$0.32 million as at 31 December 2021. The disposal of said property was completed on May 2022.

##### **Non-current Assets**

The Group's non-current assets decreased by \$0.63 million to \$1.36 million as at 30 June 2022, from \$1.99 million as at 31 December 2021. The Group's non-current assets as at 30 June 2022 comprised plant and equipment of \$0.25 million and investment properties of \$1.11 million.

Plant and equipment decreased by \$0.11 million from \$0.36 million as at 31 December 2021 to \$0.25 million as at 30 June 2022 caused by depreciation recognised in the period of \$0.11 million.

Investment properties decreased by \$0.52 million from \$1.63 million as at 31 December 2021 to \$1.11 million as at 30 June 2022 mainly due to (i) one-plot of investment property located in Kulai, Malaysia with carrying amount of \$0.55 million as at 31 December 2021 was sold in June 2022 and (ii) fair value gain of \$0.03 million arising from revaluation of property located in North Dakota, United States.

## **OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)**

### **REVIEW OF GROUP PERFORMANCE (continued)**

#### **Financial Position (continued)**

##### **Current Liabilities**

The Group's current liabilities decreased by \$0.07 million, from \$0.60 million as at 31 December 2021 to \$0.53 million as at 30 June 2022. The Group's current liabilities as at 30 June 2022 comprised mainly trade and other payables of \$0.31 million and borrowings of \$0.22 million.

Trade and other payables decreased by \$0.07 million, from \$0.38 million as at 31 December 2021 to \$0.31 million as at 30 June 2022 mainly due to accrual of director fees for 6 months of \$0.07 million in 1HY2022 as compared to 12 months of \$0.14 million for financial year ended 31 December 2021.

Current borrowings remained as \$0.22 million as at 31 December 2021 and 30 June 2022.

The Group reported a positive working capital approximately of \$2.79 million as at 30 June 2022.

##### **Non-current Liabilities**

The Group's non-current liability comprised solely lease liabilities of \$0.02 million (31 December 2021: \$0.13 million) as at 30 June 2022 for the right to use the hostel premises. The decreased was purely due to repayment of the lease liabilities.

##### **Equity**

Total equity increased by \$1.40 million, from approximately \$2.74 million as at 31 December 2021 to \$4.14 million as at 30 June 2022, as a result of net loss incurred in 1HY2022 of \$0.91 million and net proceeds from issuance of shares of \$2.31 million.

#### **Consolidated Statement of Cash Flows**

Net cash outflows for operating activities for 1HY2022 amounted to \$1.81 million, mainly due to cash used in operating activities of \$0.86 million and net cash outflow arising from working capital changes of \$0.95 million.

Net cash inflows from investing activities for 1HY2022 amounted to \$0.37 million due to proceeds from disposal of two-plot of investment properties located in Kulai, Malaysia of \$0.37 million.

Net cash inflows from financing activities of \$2.20 million in 1HY2022 was due to (i) payment of the lease liability of \$0.11 million and (ii) net proceeds from issuance of shares of \$2.31 million.

As a result of the above, the Group had cash and cash equivalents of \$1.67 million as at 30 June 2022, representing an increase of \$0.77 million as compared to \$0.90 million at 31 December 2021.



## **OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)**

### **FORECAST**

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

### **PROSPECT**

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

The Board of Directors remain cautious in FY2022 due to business uncertainties arising from the Covid 19 pandemic have negatively affected the Group's operations, will continue to stay lean and maintain sufficient cash flow to navigate through the crisis.

On 31 January 2022, the Company has entered into a sale and purchase agreement with BINEX Inc., a company incorporated in Japan, in relation to the proposed acquisition of the entire issued and paid-up share capital of BINEX Singapore (Pte. Ltd.) and this will enable the Company to expand into new business areas and grow revenues which will help to enhance shareholder value. The proposed acquisition if undertaken and completed, is expected to result in a reverse takeover of the Company as defined under Chapter 10 of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited, and is subject to, inter alia, the approval of shareholders of the Company at an extraordinary general meeting to be convened and the approval of Singapore Exchange Securities Trading Limited.

On 23 June 2022., the Company entered into a deposit agreement with BINEX Inc pursuant to which the Company shall make a refundable deposit of \$1.00 million to BINEX Japan. BINEX Japan shall undertake to use its best efforts to procure that the Vendors enter into a supplemental agreement with the Company on a timely basis, to supplement and amend the SPA, including without limitation to an extension of the Long-Stop Date by nine (9) months from 31 March 2023 to 31 December 2023.

The Group continues exploring future business opportunities which can enhance shareholders value.

### **DIVIDEND**

#### **1. Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No dividend has been declared for the current financial period.

#### **2. Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared for the previous financial year.

#### **3. Date payable**

Not applicable.

#### **4. Books closure date**

Not applicable.

## **OTHER INFORMATION REQUIRED BY CATALIST RULES APPENDIX 7C (CONTINUED)**

### **DIVIDEND (continued)**

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

No dividend has been declared/recommended for the current financial period in view that the Company was loss making.

### **INTERESTED PARTIES TRANSACTIONS**

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

The Group has not obtained an IPT general mandate from the Company's shareholders. There was no interested person transaction exceeding \$100,000 entered into during financial period.

### **CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS**

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

### **NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS PURSUANT TO RULE 705 (5) OF THE LISTING MANUAL**

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and Company for the six-month ended 30 June 2022 to be false or misleading in any material aspect.

### **USE OF PROCEEDS**

The Company received net proceeds of approximately \$2.28 million from the Share Placement completed in 3 June 2022 ("Net Proceeds"). As at the date of this announcement, the Net Proceeds have been partially utilized as set out below:

	<b>\$'000</b>
Net Proceeds	2,280
Amount utilized for working capital purposes	
- Payment to suppliers and operating expenses	(1,473)
Balance as at the date of this announcement	<u>807</u>

The Company and the Group has utilised \$1.00 million for the deposit payment to BINEX Inc. to procure the extension of the Long-Stop date from 31 March 2023 to 31 December 2023 which will be refundable if certain conditions are not fulfilled (to see Note 8 under section "Selected notes to the condensed interim consolidated financial statements" ), \$0.11 million for professional fees in relation to the proposed acquisition of BINEX (Singapore) Pte. Ltd. and \$0.36 million for general operating expenses such as supplier payments, director fees, payroll cost, rental and other administrative expenses.

**BY ORDER OF THE BOARD**

Cheong Weixiong  
Executive Director  
11 August 2022

Li Anhua  
Non-Executive Chairman

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*This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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