

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

REVEZ CORPORATION LTD.

Securities

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Designation

Executive Director, Chief Executive Officer and Deputy Board Chairman

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attached.

Additional Details

For Financial Period Ended

30/06/2021

Attachments

[REVEZ_Annnc-Half Year Results FY2021.pdf](#)

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REVEZ CORPORATION LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 201119167Z)

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2021**



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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

		Group		Increase/
		1H 2021	1H 2020	(Decrease)
		S\$'000	S\$'000	%
Revenue	4	3,912	1,994	96.2
Other income		241	553	(56.4)
Material costs and changes in inventories		(1,292)	(541)	138.8
Salaries and employees' benefits		(2,525)	(1,648)	53.2
Depreciation of property, plant and equipment and investment property		(347)	(140)	147.9
Amortisation of intangible assets		(66)	-	N.M.
(Impairment loss)/Reversal of impairment loss of trade receivables and contract assets, net		(59)	206	N.M.
Fair value loss on contingent consideration		(205)	-	N.M.
Other operating expenses		(414)	(283)	46.3
Finance costs		(36)	(12)	200.0
(Loss)/Profit before income tax	5	(791)	129	N.M.
Income tax	6	9	(51)	N.M.
(Loss)/Profit for the financial period		(782)	78	N.M.
Other comprehensive income		-	-	N.M.
Total comprehensive (loss)/profit for the financial period		(782)	78	N.M.
(Loss)/Profit for the financial period attributable to:				
Owners of the Company		(574)	162	
Non-controlling interests		(208)	(84)	
		(782)	78	
Total comprehensive (loss)/profit for the financial period attributable to:				
Owners of the Company		(574)	162	
Non-controlling interests		(208)	(84)	
		(782)	78	
Loss/Earnings per share:				
Basic and Diluted (cents per share)		(0.34)	0.10	

N.M. - Denotes not meaningful

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

		Group		Company	
		As at 30/06/2021 S\$'000	As at 31/12/2020 S\$'000	As at 30/06/2021 S\$'000	As at 31/12/2020 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	1,588	1,840	-	-
Investment property	8	630	645	-	-
Goodwill	9	3,317	3,317	-	-
Intangible assets	10	558	624	-	-
Investment in subsidiaries		-	-	38,160	38,160
Total non-current assets		6,093	6,426	38,160	38,160
Current assets					
Trade and other receivables		3,383	2,241	895	133
Contract assets		94	444	-	-
Inventories		314	95	-	-
Cash and cash equivalents		4,196	4,695	2,081	2,878
Total current assets		7,987	7,475	2,976	3,011
Total assets		14,080	13,901	41,136	41,171
EQUITY AND LIABILITIES					
Current liabilities					
Trade and other payables		2,089	2,542	101	259
Contract liabilities		743	234	-	-
Loans and borrowings	13	348	309	-	-
Other financial liabilities		1,232	1,027	1,232	1,026
Provision for income tax		10	165	1	2
Total current liabilities		4,422	4,277	1,334	1,287
Non-current liabilities					
Loans and borrowings	13	2,024	1,197	-	-
Deferred tax liabilities		95	106	-	-
Total non-current liabilities		2,119	1,303	-	-
Total liabilities		6,541	5,580	1,334	1,287
Equity					
Share capital	11	18,713	18,713	62,030	62,030
Merger reserve		138	138	-	-
Accumulated losses		(11,803)	(11,229)	(22,228)	(22,146)
Equity attributable to owners of the company		7,048	7,622	39,802	39,884
Non-controlling interests		491	699	-	-
Total Equity		7,539	8,321	39,802	39,884
Total equity and liabilities		14,080	13,901	41,136	41,171

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

	Group	Group
	1H 2021	1H 2020
	S\$'000	S\$'000
Cash flows from operating activities		
(Loss)/Profit before income tax	(791)	129
Adjustments for:		
Depreciation of property, plant and equipment and investment property	347	140
Amortisation of intangible assets	66	-
Impairment loss/(Reversal of impairment loss) of trade receivables and contract assets, net	59	(206)
Provision for inventory obsolescence	11	-
Fair value loss on contingent consideration	205	-
Interest income	(2)	(32)
Interest expense	36	12
Operating cash flows before working capital changes	(69)	43
Changes in working capital:		
Inventories	(230)	(62)
Trade and other receivables	(1,178)	774
Contract assets	350	485
Trade and other payables	(453)	(391)
Contract liabilities	509	(45)
Cash (used in)/generated from operations	(1,071)	804
Interest received	2	32
Income tax paid	(157)	(22)
Net cash (used in)/generated from operating activities	(1,226)	814
Cash flows from investing activities		
Purchase of property, plant and equipment	(79)	(27)
Decrease in fixed deposit with maturity period of more than 3 months	(380)	1,600
Net cash (used in)/generated from investing activities	(459)	1,573
Cash flows from financing activities		
Dividend paid to former shareholders	-	(400)
Proceeds from bank borrowings	1,000	-
Repayment of bank borrowings	(15)	(14)
Repayment of finance lease liability	-	(3)
Principal payment of lease liabilities	(163)	(71)
Interest paid	(16)	(9)
Net cash generated/(used in) from financing activities	806	(497)
Net (decrease)/increase in cash and cash equivalents	(879)	1,890
Cash and cash equivalent at beginning of the financial period	2,845	2,095
Cash and cash equivalent at end of the financial period	1,966	3,985
Analysis of cash and cash equivalents:		
Cash at bank	1,965	1,794
Short-term deposits	2,230	5,490
Cash on hand	1	1
	4,196	7,285
Less: Short-term deposits with maturity period of more than 3 months	(2,230)	(3,300)
Cash and cash equivalents as per consolidated statement of cash flows	1,966	3,985

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

<---- Attributable to equity owners of the Company ---->

	Share capital	Merger reserve	(Accumulated losses)/ Retained earnings	Attributable to equity owners of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group						
Balance at 1 January 2021	18,713	138	(11,229)	7,622	699	8,321
Total comprehensive loss for the period	-	-	(574)	(574)	(208)	(782)
Transaction with owners, directly recognised in equity						
Issue of shares to non-controlling interests	-	-	-	-	-	-
Balance at 30 June 2021	18,713	138	(11,803)	7,048	491	7,539
Balance at 1 January 2020	18,713	138	(11,327)	7,524	234	7,758
Total comprehensive income/(loss) for the period	-	-	162	162	(84)	78
Transaction with owners, directly recognised in equity						
Issue of shares to non-controlling interests	-	-	-	-	336	336
Balance at 30 June 2020	18,713	138	(11,165)	7,686	486	8,172
	Share capital	Accumulated losses	Total equity			
	S\$'000	S\$'000	S\$'000			
Company						
Balance at 1 January 2021	62,030	(22,146)	39,884			
Total comprehensive loss for the period	-	(82)	(82)			
Balance at 30 June 2021	62,030	(22,228)	39,802			
Balance at 1 January 2020	62,030	(13,418)	48,612			
Total comprehensive income for the period	-	61	61			
Balance at 30 June 2020	62,030	(13,357)	48,673			

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1 General Information

Revez Corporation Ltd. (the “Company”) is a public limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are:

- (a) Design and develop immersive and interactive multimedia solutions
- (b) Provision of marketing and communication solutions
- (c) Design and develop Information Technology, Software as a Service (SaaS), and immersive and interactive multimedia on-ground solutions
- (d) Engineering consultancy and robotics solutions
- (e) Media owner and operator of digital media networks, digital out-of-home (DOOH) advertising networks and digital sport networks

2 Basis of Preparation

The condensed interim consolidated financial statements of the Group and the statement of financial position of the Company 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 2020.

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

The condensed interim financial statements are presented in Singapore dollar (“S\$”) which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

Amendments to SFRS(I) 16 COVID-19 Related Rent Concessions 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 Basis of Preparation (cont'd)

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 4 – Revenue recognition for service contracts

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 8 – determination of fair value of investment property using significant unobservable inputs
- Note 9 and 10 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts

3 Seasonal operations

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

4 Revenue and segment information

Revenue from Contracts with Customers

Disaggregation of revenue from contracts with customers

The Group derives revenue from the delivery of services in the following major service lines and the Group's revenues are wholly attributed to Singapore:

	Group	
	<u>6 months</u>	<u>6 months</u>
	<u>ended 30 June</u>	<u>ended 30 June</u>
	<u>2021</u>	<u>2020</u>
	S\$'000	S\$'000
 <u>Major service lines – Timing of revenue recognition</u>		
Revenue from service contracts – Over time	2,605	1,588
Revenue from marketing and exhibition support services	119	266
– At a point in time		
Revenue from sale of industrial automation goods	167	140
– At a point in time		
Revenue from digital media services – Over time	1,021	-
	<u>3,912</u>	<u>1,994</u>

Segment information

The Group has determined the operating segments based on the internal reports reviewed by the executive management, principally the Chief Executive Officer, who is responsible for allocating resources and assessing performance of the operating segments.

The Group's reportable operating segments are as follows:

- IT Solutions

IT Solutions segment provides from simple applications and websites to comprehensive tailor-made integrated solutions which includes design and development of integrated suite of solutions by tapping on new technology, immersive multimedia, Artificial Intelligence ("AI"), Internet of Things ("IOT"), Information and Communications Technology ("ICT"), Software-as-a-Service ("SAAS"), Creative & Content Service and providing engineering consultancy and robotic solutions to customers ("Industrial Automation").

- Meetings, Incentive, Conferences, Exhibitions ("MICE")

MICE segment provides design and installation support to its solutions when these IT solutions are required to be installed in showrooms, exhibition halls, product launches and customer service centers.

- Digital Media Networks

Digital media networks segment includes creating, owning and implementing innovative and award-winning digital media solutions and media networks.

- Corporate

Corporate segment refers to investment holding company that does not meet any of the quantitative threshold, for the purpose of determining a reportable operating segment.

4 Revenue and segment information (cont'd)

Segment information (cont'd)

Information regarding the results of each reportable operating segment is included below. Segment assets and liabilities are presented net of inter-segment balances. Inter-segment pricing is determined on mutually agreed terms.

Information about operating segments

Group	<u>IT Solutions</u> S\$'000	<u>MICE</u> S\$'000	<u>Digital Media Networks</u> S\$'000	<u>Corporate</u> S\$'000	<u>Total</u> S\$'000
<u>1 January 2021 to 30 June 2021</u>					
<i>Revenue</i>					
Total revenue	2,867	133	1,021	-	4,021
Inter-segment revenue	(95)	(14)	-	-	(109)
External revenue	<u>2,772</u>	<u>119</u>	<u>1,021</u>	<u>-</u>	<u>3,912</u>
<i>Results</i>					
(Loss)/Profit before income tax	(451)	(142)	32	(230)	(791)
Income tax	-	-	(5)	14	9
(Loss)/Profit for the period	<u>(451)</u>	<u>(142)</u>	<u>27</u>	<u>(216)</u>	<u>(782)</u>
<i>Assets and liabilities</i>					
Segment assets	6,039	206	5,736	2,099	14,080
Segment liabilities	<u>(4,102)</u>	<u>(105)</u>	<u>(998)</u>	<u>(1,336)</u>	<u>(6,541)</u>
<i>Other segment information</i>					
Expenditure for property, plant and equipment	-	-	(79)	-	(79)
Other non-cash items:					
Depreciation of property, plant and equipment and investment property	(214)	(37)	(96)	-	(347)
Amortisation of intangible assets	-	-	(66)	-	(66)
Impairment loss of trade receivables and contract assets, net	(44)	(5)	(10)	-	(59)
Allowance for inventory obsolescence	(11)	-	-	-	(11)
Fair value loss on contingent consideration	-	-	-	(205)	(205)

4 Revenue and segment information (cont'd)

Segment information (cont'd)

Information about operating segments (cont'd)

Group	<u>IT Solutions</u> S\$'000	<u>MICE</u> S\$'000	<u>Corporate</u> S\$'000	<u>Total</u> S\$'000
<u>1 January 2020 to 30 June 2020</u>				
<i>Revenue</i>				
Total revenue	1,873	269	-	2,142
Inter-segment revenue	(145)	(3)	-	(148)
External revenue	1,728	266	-	1,994
<i>Results</i>				
Profit/(Loss) before income tax	146	(65)	48	129
Income tax	(47)	-	(4)	(51)
Profit/(Loss) for the period	99	(65)	44	78
<i>Assets and liabilities</i>				
Segment assets	3,933	539	5,596	10,068
Segment liabilities	(1,643)	(99)	(154)	(1,896)
<i>Other segment information</i>				
Expenditure for property, plant and equipment	(27)	-	-	(27)
Other non-cash items:				
Depreciation of property, plant and equipment and investment property	(102)	(37)	(1)	(140)
Reversal of impairment loss of trade receivables and contract assets, net	200	6	-	206

Geographical information

The Group's revenue and its non-current assets for the six months ended 30 June 2021 and 2020 were wholly attributed to Singapore.

5 (Loss)/Profit before Income Tax

Significant items	Group	
	<u>6 months</u> <u>ended 30 June</u>	<u>6 months</u> <u>ended 30 June</u>
	<u>2021</u> S\$'000	<u>2020</u> S\$'000
Other income		
Government grants	197	499
Interest income	2	32
Operating lease income	17	17
Miscellaneous income	25	5
Other operating expenses		
Travelling and transport	24	19
Entertainment and refreshment	19	11
Professional fees	128	123
Subscription and license fees	81	17
Listing fees	46	46
Others	116	67

6 Income Tax

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

	Group	
	<u>6 months</u> <u>ended 30 June</u>	<u>6 months</u> <u>ended 30 June</u>
	<u>2021</u> S\$'000	<u>2020</u> S\$'000
Current income tax	2	51
Deferred income tax relating to reversal of temporary differences	(11)	-
	<u>(9)</u>	<u>51</u>

7 Property, Plant and Equipment

During the six months ended 30 June 2021, the Group acquired assets amounting to S\$79,000 (30 June 2020: S\$27,000).

8 Investment Property

	Group	
	<u>2021</u> S\$'000	<u>2020</u> S\$'000
<u>Cost</u>		
Balance at 1 January and 30 June/31 December	<u>879</u>	<u>879</u>
<u>Accumulated depreciation</u>		
Balance at 1 January	234	205
Depreciation charge	15	29
Balance at 30 June/31 December	<u>249</u>	<u>234</u>
<u>Net book value</u>		
At 30 June/31 December	<u>630</u>	<u>645</u>

The investment property is mortgaged to secure a bank borrowing of the Group.

8 Investment Property (cont'd)

Information regarding the investment property is as follows:

<u>Description and location</u>	<u>Tenure</u>	<u>Use</u>
Factory premise located at 18 Howard Road, #09-05, Singapore 369585	Freehold	Commercial

The investment property is leased to a third party.

Information on the fair value of the Group's investment property disclosed below is measured using valuation inputs categorised as Level 2 in the Fair Value Hierarchy as follows:

	<u>Level 1</u> S\$'000	<u>Level 2</u> S\$'000	<u>Level 3</u> S\$'000	<u>Carrying amount</u> S\$'000
Group				
<u>2021</u>				
Commercial property	-	1,100	-	630
<u>2020</u>				
Commercial property	-	1,087	-	645

Valuation technique and inputs used to derive Level 2 fair value

Level 2 fair value of the investment property was derived using the sales comparison approach. Sales prices of comparable properties in close proximity were adjusted by management for differences in key attributes such as property size. The most significant input into this valuation approach is the selling price per square meter. The Group did not engage an independent valuer to determine the fair value of the property as at 30 June 2021.

There were no changes in the valuation technique during the current financial period.

9 Goodwill

	Group	
	<u>2021</u> S\$'000	<u>2020</u> S\$'000
<u>Cost</u>		
Balance at 1 January	3,317	-
Goodwill recognised from the business combination occurred during the period	-	3,317
Balance at 30 June/31 December	<u>3,317</u>	<u>3,317</u>

9 Goodwill (cont'd)

Impairment testing of goodwill

Goodwill acquired through the business combination has been allocated entirely to the digital media networks cash-generating unit ("DMN CGU") under the digital media networks segment for impairment test.

The recoverable amount of the DMN CGU has been determined based on its value in use using cash flow forecasts covering a five-year period. The discount rate applied to the cash flow forecasts, forecasted growth rates, budgeted gross margins, and the terminal growth rates used to extrapolate cash flow forecasts beyond the five-year period, are discussed below.

- (i) Revenue growth is projected based on contracts secured with customers along with likely contract renewals and ongoing project tenders and forecasted demand with reference to past revenues earned and adjusted for forward-looking economic conditions.
- (ii) Terminal growth rate of 1% has been used which does not exceed the industry long-term forecast growth rate based on published reports.
- (iii) Discount rate of 14% used was determined based on a risk-free rate adjusted for a market risk premium to reflect market risks and the risks specific to the DMN CGU.

Based on the impairment test, management concluded that no impairment loss of goodwill is required to be recognised for the six months ended 30 June 2021.

10 Intangible Assets

Group	<u>Customer relationships</u> S\$'000	<u>Software system</u> S\$'000	<u>Total</u> S\$'000
<u>Cost</u>			
Balance at 1 January 2021 and 30 June 2021	470	187	657
<u>Accumulated amortisation</u>			
Balance at 1 January 2021	24	9	33
Amortisation charge	47	19	66
Balance at 30 June 2021	71	28	99
<u>Net book value</u>			
At 30 June 2021	399	159	558

10 Intangible Assets (cont'd)

	<u>Customer relationships</u> S\$'000	<u>Software system</u> S\$'000	<u>Total</u> S\$'000
Group			
<u>Cost</u>			
Balance at 1 January 2020	-	-	-
Acquisition through business combination	470	187	657
Balance at 31 December 2020	470	187	657
<u>Accumulated amortisation</u>			
Balance at 1 January 2020	-	-	-
Amortisation charge	24	9	33
Balance at 31 December 2020	24	9	33
<u>Net book value</u>			
At 31 December 2020	446	178	624

11 Share Capital

	<u>30 June 2021</u>		<u>31 December 2020</u>	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
Group/Company				
Beginning/end of the period	167,499,937	18,713	167,499,937	18,713

The Company did not hold any treasury shares as at 30 June 2021. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021 and 31 December 2020.

12 Related Party Transactions

The following transactions took place between the Group and other related parties at terms agreed between the parties:

	Group	
	<u>1 January 2021 to 30 June 2021</u> S\$'000	<u>1 January 2020 to 30 June 2020</u> S\$'000
Sale of goods and services to related parties	-	115
Purchase of goods and services from a related party	1	5
Rental and utilities charged by a related party	12	-
Administrative fee charged by a related party	-	59

The related parties refer to those entities held by directors of a subsidiary of the Company.

13 Loans and Borrowings

	Group	
	<u>2021</u> S\$'000	<u>2020</u> S\$'000
<u>Amount repayable within one year or on demand</u>		
Unsecured	319	278
Secured	29	31
	348	309
 <u>Amount repayable after one year</u>		
Unsecured	389	549
Secured	1,635	648
	2,024	1,197

The bank borrowing is secured by a first legal mortgage over the Group's investment property and a corporate guarantee of S\$698,000 by the Company.

The Group drewdown S\$1 million of 5 year Temporary Bridging Loan under Enterprise Financing Scheme for working capital requirements during the period.

14 Subsequent events

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

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

- 1(a) - 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.

No changes in the Company's share capital since the end of the previous period reported on.

The Company did not have any outstanding options, convertibles or treasury shares as at 30 June 2021 and 30 June 2020.

- 1(b) - 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.

	As at 30 June 2021	As at 30 June 2020
Total number of issued shares, excluding treasury shares	<u>167,499,937</u>	<u>167,499,937</u>

There were no treasury shares as at 30 June 2021 and 30 June 2020.

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

The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

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

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

The condensed consolidated statement of financial position of Revez Corporation Ltd and its subsidiaries as at 30 June 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

- 3 - Whether the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter).

Not applicable.

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

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

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

Not applicable.

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

Save as disclosed in section 5 below, the Company has adopted the same accounting policies and methods of computation in the presentation of the unaudited financial statements for the financial period ended 30 June 2021 as compared with the audited financial statements for the financial year ended 31 December 2020.

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

The Group has adopted all applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretation of SFRS(I) that are relevant to its operations and become effective for the annual reporting period beginning on 1 January 2021. Amendments to SFRS(I) 16 COVID-19 Related Rent Concessions have become applicable for the current reporting period. The adoption of these standards did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the Group's and the Company's financial statements for the current financial reporting period.

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

	Group 1H 2021	Group 1H 2020
(Loss)/Profit attributable to owners of the Company (S\$'000)	(574)	162
Weighted average number of ordinary shares	167,499,937	167,499,937
Basic and diluted (loss)/earnings per share (cents)	(0.34)	0.10

As there are no dilutive potential ordinary shares that were outstanding during the respective financial periods, the diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share.

- 7 - Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:
 (a) current financial year reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	as at 30/06/2021	as at 31/12/2020	as at 30/06/2021	as at 31/12/2020
Net assets value ⁽¹⁾ (S\$'000)	7,048	7,622	39,802	39,884
Number of issued ordinary shares	167,499,937	167,499,937	167,499,937	167,499,937
Net assets value per ordinary share (cents)	4.21	4.55	23.76	23.81

⁽¹⁾Net assets value ("NAV") denotes NAV attributable to equity owners of the Company

Net asset value per share is calculated based on share capital of 167,499,937 ordinary shares in issue as at 30 June 2021 and 31 December 2020.

- 8 - **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF GROUP'S PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2021 ("1H2021") AS COMPARED TO THE HALF YEAR ENDED 30 JUNE 2020 ("1H2020")

Revenue

Revenue increased by S\$1,918,000 or 96.2% for 1H2021 from S\$2.0 million in 1H2020 to S\$3.9 million in 1H2021. The increase in revenue were mainly due to revenue contribution from PGK Digital Networks Pte. Ltd. ("PGK") of S\$1,021,000 which the Group acquired in October 2020 and higher revenue from IT Solutions of S\$1,044,000. Revenue from meetings, incentives, conferences and exhibitions ("MICE") decreased by S\$147,000 due to the COVID-19 pandemic.

Other income

Other income decreased by S\$312,000 or 56.4% for 1H2021 from S\$553,000 in 1H2020 to S\$241,000 in 1H2021 due to less government support relief scheme measure for business disruption from the COVID-19 pandemic and government grant in 1H2021.

Costs and profitability

Material costs and change in inventories

Material costs and changes in inventories increased by S\$751,000 or 138.8% for 1H2021 from S\$541,000 in 1H2020 to S\$1,292,000 in 1H2021 due to the corresponding increase in revenue.

Salaries and employees' benefits

Salaries and employees' benefits increased by S\$877,000 or 53.2% for 1H2021 from S\$1.6 million in 1H2020 to S\$2.5 million in 1H2021 due to the inclusion of PGK's staff costs of S\$495,000 and the increase in headcount of the Group as the Group expands.

Depreciation of property, plant and equipment and investment property

Depreciation increased by S\$207,000 or 147.9% for 1H2021 from S\$140,000 in 1H2020 to S\$347,000 in 1H2021 due to additional depreciation incurred for renovations cost for the new office, computer equipment and depreciation incurred for PGK's property, plant and equipment which the Group acquired in October 2020.

Amortisation of intangible assets

Amortisation of S\$66,000 was due to amortisation charge for the period for customer relationships and software system resulted from the acquisition of PGK in October 2020.

(Impairment loss)/Reversal of impairment loss of trade receivables and contract assets, net

Impairment loss of trade receivables and contract assets, net of S\$59,000 was recognised based on the expected credit losses assessment done by management as at 30 June 2021. There was a reversal of impairment loss of S\$206,000 in 1H2020 due to recovery of outstanding receivables in 1H2020.

Fair value loss on contingent consideration

Fair value loss of S\$205,000 was recognised due to an increase in the fair value of the contingent consideration as of 30 June 2021 in relation to the terms and conditions of the acquisition of PGK.

Other operating expenses

Other operating expenses increased by S\$131,000 or 46.3% for 1H2021 from S\$283,000 in 1H2020 to S\$414,000 in 1H2021 mainly due to license fees increase of S\$33,000 and PGK's other operating expenses of S\$85,000.

Finance costs

Finance costs increased by S\$24,000 or 200.0% for 1H2021 from S\$12,000 in 1H2020 to S\$36,000 in 1H2021 due to a drawdown of bank loan of S\$1,000,000 in 1H2021 for working capital requirement.

Income tax

Income tax credit of S\$9,000 for 1H2021 was mainly due to a decrease in deferred tax liabilities.

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2021

Non-current assets

The decrease in non-current assets as at 30 June 2021 of S\$333,000 from S\$6,426,000 as at 31 December 2020 to S\$6,093,000 as at 30 June 2021 was mainly due to the decrease of property, plant and equipment of S\$252,000. The decrease was due to depreciation of property, plant and equipment of S\$332,000. The Group purchased property, plant and equipment of S\$79,000 during the period.

Current assets

The increase in current assets as at 30 June 2021 of S\$512,000 from S\$7,475,000 as at 31 December 2020 to S\$7,987,000 as at 30 June 2021 was mainly due to the increase in trade and other receivables of S\$1,142,000, decrease in cash and cash equivalents of S\$499,000, decrease in contract assets of S\$350,000 and increase in inventories of S\$219,000. The decrease in cash and cash equivalents was mainly due to less receipts from customers due to less completed projects in April 2021 and May 2021. The increase in trade and other receivables was due to an increase of billings to customers for completed projects in June 2021. The decrease in contract assets was in line with an increase of completed projects in June 2021. The increase in inventories was due to more items purchased for the purpose of providing industrial automation solution for manufacturing customers.

Current liabilities

The increase in current liabilities as at 30 June 2021 of S\$145,000 from S\$4,277,000 as at 31 December 2020 to S\$4,422,000 was mainly due to the increase in contract liabilities of S\$509,000, decrease in trade and other payables of S\$453,000, increase in other finance liabilities of S\$205,000, decrease in provision for income tax of S\$155,000 and increase in loans and borrowings of S\$39,000. The increase in contract liabilities was due to revenue deferred because the revenue was not due for recognition in 1H2021. The decrease in trade and other payables was due to more invoices paid due to the timing of the due dates. The increase in loan and borrowings was due to the current portion classification of the S\$1 million loan (5 year Temporary Bridging Loan under Enterprise Financing Scheme). The increase in other finance liabilities in relation to the terms and conditions of the acquisition of PGK was due to the increase in contingent consideration fair value as at 30 June 2021.

Non-current liabilities

The increase in non-current liabilities as at 30 June 2021 of S\$816,000 was mainly due to drawdown of S\$1 million of 5 year Temporary Bridging Loan under Enterprise Financing Scheme for working capital requirements.

Total Equity

The decrease in total equity of the Group as at 30 June 2021 of S\$782,000 from S\$8,321,000 as at 31 December 2020 to S\$7,539,000 as at 30 June 2021 was due to loss after tax for 1H2021.

Liquidity and capital resources

As at 30 June 2021, the Group had cash and cash equivalents of S\$4,196,000 and net current assets of S\$3,565,000. The Group's equity attributable to equity owners of the Company amounted to S\$7,048,000, and total liabilities amounted to S\$6,541,000.

REVIEW OF STATEMENT OF CASH FLOWS

1H2021

The Group's net cash used in operating activities of S\$1,226,000 for 1H2021 was mainly due to operating cash flows before changes in the working capital of S\$69,000 and net working capital outflow of S\$1,002,000 and income tax payment of S\$157,000, partially offset by interest income received of S\$2,000.

The Group's net cash used in investing activities of S\$459,000 for 1H2021 was mainly due to the purchase of property, plant and equipment of S\$79,000 and fixed deposit withdrawal of S\$380,000.

The Group had net cash generated from financing activities of S\$806,000 for 1H2021. This was mainly due to the drawdown of bank borrowings of S\$1 million and partially offset by repayment of lease liabilities of S\$163,000.

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

No forecast or prospect statement was previously disclosed to shareholders.

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

The COVID-19 restrictions imposed in Singapore has affected the operations of the Group in general and hence there were delays in project delivery which affected the revenue recognised during the period. With the latest heighten Covid measures, businesses such as MICE support and Industrial Automation segments are expected to continue to be weak due to the on-going COVID-19 pandemic and its restrictive measures. The Group will continue to focus on strengthening its technological capabilities and expanding new IT offerings that includes cybersecurity solutions and new Software as a Service (“SaaS”) IT solutions. Our operations continue to operate as per normal with a business continuity plan in place which includes employees observing safe distancing measures in office and work from home arrangements.

The Group will continue to monitor the current COVID-19 while ensuring adequate liquidity and financial strength to sustain its operations and business growth.

- 11 - **If a decision regarding dividend has been made**

- (a) Whether an interim (final) ordinary dividend has been declared (recommended).**

None.

- (b) (i) Amount per share**

Not applicable.

- (ii) Previous corresponding period**

Not applicable.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable.

- (d) The date the dividend is payable**

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared/recommended for the current financial period as the Company has adopted a prudent approach to conserve cash amidst the current challenging business environment.

- 13 - **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) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate from shareholders for interested person transactions.

There were no interested person transactions exceeding S\$100,000 entered into between the Group and any other interested person during 1H2021.

14 - Update on use of Compliance Placement Proceeds

Description	Compliance Placement Proceeds Allocation (S\$'000)	Utilisation up to 12 August 2021 (S\$'000)
Repayment of debts owing by the Company before RTO ⁽¹⁾	892	892
To fund general corporate activities including, but not limited to, acquisitions, joint ventures and/or strategic alliances, establishing overseas companies and branch offices	4,000	3,200 ⁽²⁾
General working capital ⁽¹⁾	1,890	1,044 ⁽³⁾
Net Proceeds / Utilisation	6,782	5,136
Professional fees and expenses ⁽⁴⁾	960	960
Miscellaneous expenses	180	180
Gross Proceeds / Utilisation	7,922	6,276

⁽¹⁾ All debts owing by the Company before RTO have been repaid by the Company. The balance of approximately S\$530,000 shall be reallocated as general working capital. The old debts repayment was less than budgeted due mainly to reduction of debts owing to several creditors after negotiation by the management.

⁽²⁾ The Company has utilised S\$800,250 as paid up capital for the incorporation of AIAC Pte. Ltd on 19 February 2020 and used S\$2,400,000 to fund the Purchase Consideration for the completion of Proposed Acquisition of PGK Digital Networks Pte. Ltd. on 27 October 2020.

⁽³⁾ Approximately S\$44,000 of the working capital from the Placement proceeds were used to pay for the RTO and Placement related expenses and approximately \$1,000,000 loan to subsidiary for working capital and to purchase 3,000 units of media equipment for project awarded repayable within 48 months from loan disbursement with interest at 2.0% p.a.

⁽⁴⁾ This includes fees payable to professionals including sponsor, legal advisers, tax advisers, auditors, valuers and public relations consultants in connection with the RTO.

Save for the reallocation of the Compliance Placement Proceeds, the use of the Net Proceeds and Gross Proceeds as disclosed above is in accordance with the stated use and in accordance with the percentage allocated in the Circular to Shareholders dated 29 March 2019.

15 - Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company hereby confirms that it has procured all the required undertakings from all the Directors and Executive Officer of the Company (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

16 - Negative Confirmation by the Board pursuant to Rule 705(5) of the Catalyst Rules

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results for the half year period ended 30 June 2021 to be false or misleading in any material aspect.

By Order of the Board
REVEZ CORPORATION LTD.

Neo Wee Han Victor
Executive Director, Chief Executive Officer and Deputy Board Chairman

Date: 12 August 2021

This announcement has been reviewed by the Company's sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this press release.

The contact person for the sponsor is Ms. Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.