

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS**Issuer & Securities****Issuer/ Manager**

REVEZ CORPORATION LTD.

Securities

REVEZ CORPORATION LTD. - SGXE83751573 - RCU

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Please see attached.

Additional Details**For Financial Period Ended**

30/06/2023

Attachments[Revez - HY2023 Results Announcement final.pdf](#)



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

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2023**



Contents

	Page
Condensed interim consolidated statements of comprehensive income	3
Condensed interim statements of financial position	4
Condensed interim statements of changes in equity	5
Condensed interim consolidated statements of cash flows	6
Notes to the condensed interim financial statements	7
Other information required by Listing Rule Appendix 7C	21



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	Group		Change % +/-
		6 months ended 30 June 2023 S\$'000	6 months ended 30 June 2022 S\$'000	
Revenue	5	1,799	4,187	(57%)
Other income		115	821	(86%)
Material costs and changes in inventories		(978)	(1,417)	(31%)
Salaries and employees' benefits		(1,244)	(1,851)	(33%)
Depreciation of property, plant and equipment		(269)	(546)	(51%)
Amortisation of intangible assets		-	(66)	N.M
Impairment loss on trade receivables and contract assets, net		(63)	(39)	62%
Other operating expenses		(1,530)	(651)	135%
Finance costs		(23)	(40)	(43%)
(Loss)/profit before income tax	7	(2,193)	398	N.M
Income tax		-	1	N.M
(Loss)/profit for the financial period		<u>(2,193)</u>	<u>399</u>	N.M
Other comprehensive income		-	-	-
Total comprehensive (loss)/income for the financial period		<u>(2,193)</u>	<u>399</u>	N.M
(Loss)/profit for the financial period attributable to:				
Owners of the Company		(2,193)	465	N.M
Non-controlling interests		-	(66)	N.M
		<u>(2,193)</u>	<u>399</u>	N.M
Total comprehensive (loss)/income for the financial period attributable to:				
Owners of the Company		(2,193)	465	N.M
Non-controlling interests		-	(66)	N.M
		<u>(2,193)</u>	<u>399</u>	N.M
(Loss)/earnings per share:				
Basic and diluted (cents per share)		<u>(1.26)</u>	<u>0.28</u>	

N.M.: Not Meaningful

(Loss)/earnings per share is calculated based on the weighted average number of ordinary shares that were outstanding during the respective financial periods.



CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30 Jun 2023 S\$'000	31 Dec 2022 S\$'000	30 Jun 2023 S\$'000	31 Dec 2022 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	912	1,409	-	-
Investment in subsidiaries	11	-	-	616	616
		<u>912</u>	<u>1,409</u>	<u>616</u>	<u>616</u>
Current assets					
Trade and other receivables	12	1,041	2,242	162	143
Contract assets	5	1,142	857	-	-
Cash and bank balances	13	11,234	1,807	9,643	70
		<u>13,417</u>	<u>4,906</u>	<u>9,805</u>	<u>213</u>
Total assets		<u><u>14,329</u></u>	<u><u>6,315</u></u>	<u><u>10,421</u></u>	<u><u>829</u></u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	14	21,876	18,713	65,193	62,030
Merge reserve		138	138	-	-
Other reserve	19	510	-	-	-
Accumulated losses		(19,727)	(17,534)	(62,610)	(61,443)
Total equity		<u><u>2,797</u></u>	<u><u>1,317</u></u>	<u><u>2,583</u></u>	<u><u>587</u></u>
Current liabilities					
Trade and other payables	16	7,943	2,916	5,838	242
Contract liabilities	5	327	376	-	-
Loans and borrowings	15	2,505	693	2,000	-
		<u>10,775</u>	<u>3,985</u>	<u>7,838</u>	<u>242</u>
Non-current liabilities					
Loans and borrowings	15	757	1,013	-	-
		<u>757</u>	<u>1,013</u>	<u>-</u>	<u>-</u>
Total liabilities		<u><u>11,532</u></u>	<u><u>4,998</u></u>	<u><u>7,838</u></u>	<u><u>242</u></u>
Total equity and liabilities		<u><u>14,329</u></u>	<u><u>6,315</u></u>	<u><u>10,421</u></u>	<u><u>829</u></u>



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

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

<u>Group</u>	Share capital S\$'000	Merger reserve S\$'000	Other reserve S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interest S\$'000	Total equity S\$'000
At 1 January 2023	18,713	138	-	(17,534)	1,317	-	1,317
Issuance of ordinary shares (Note 14)	3,163	-	-	-	3,163	-	3,163
Reversal of dividend payables	-	-	510	-	510	-	510
Loss for the financial period	-	-	-	(2,193)	(2,193)	-	(2,193)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive loss for the financial period	-	-	-	(2,193)	(2,193)	-	(2,193)
At 30 June 2023	21,876	138	510	(19,727)	2,797	-	2,797
At 1 January 2022	18,713	138	-	(13,162)	5,689	394	6,083
Profit for the financial period	-	-	-	465	465	(66)	399
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	465	465	(66)	399
Capital reduction of a subsidiary	-	-	-	-	-	(254)	(254)
At 30 June 2022	18,713	138	-	(12,697)	6,154	74	6,228

<u>Company</u>	Share Capital S\$'000	Accumulated Losses S\$'000	Total Equity S\$'000
At 1 January 2023	62,030	(61,443)	587
Issuance of ordinary shares (Note 14)	3,163	-	3,163
Loss for the financial period	-	(1,167)	(1,167)
Other comprehensive income	-	-	-
Total comprehensive loss for the financial period	-	(1,167)	(1,167)
At 30 June 2023	65,193	(62,610)	2,583
At 1 January 2022	62,030	(51,491)	10,539
Loss for the financial period	-	(67)	(67)
Other comprehensive income	-	-	-
Total comprehensive loss for the financial period	-	(67)	(67)
At 30 June 2022	62,030	(51,558)	10,472



CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Group	
	6 months ended 30 Jun 2023 S\$'000	6 months ended 30 Jun 2022 S\$'000
Cash flows from operating activities:		
(Loss)/profit before income tax	(2,193)	398
Adjustments for:		
Depreciation for property, plant and equipment	264	546
Amortisation of intangible assets	-	66
Gain on disposal of investment property	-	(506)
Loss on disposal of property, plant and equipment	49	-
Property, plant and equipment written off	3	-
Impairment loss of trade receivables and contract assets, net	63	39
Reversal of allowance for inventory obsolescence	-	(123)
Interest income	(6)	-
Interest expense	23	40
Operating cash flows before change in working capital	(1,797)	460
Change in working capital:		
Inventories	-	(15)
Trade and other receivables	1,138	(612)
Contract assets	(285)	222
Trade and other payables	729	432
Contract liabilities	(49)	83
Cash (used in)/generated from operations	(264)	570
Interest received	6	-
Income tax paid	-	(10)
Net cash (used in)/generated from operating activities	(258)	560
Cash flows from investing activities:		
Purchase of property, plant and equipment	(7)	(596)
Proceeds from disposal of property, plant and equipment	120	-
Proceeds from disposal of investment property	-	1,122
Increase in bank deposit with maturity period of more than 3 months	(756)	-
Net cash (used in)/generated from investing activities	(643)	526
Cash flows from financing activities:		
Advances from investors	4,808	-
Loan from controlling shareholder	2,000	-
Issuance of shares	3,163	-
Repayment of bank borrowings	(252)	(835)
Capital reduction payment to non-controlling shareholders of a subsidiary	-	(14)
Principal payment of lease liabilities	(124)	(151)
Interest paid	(23)	(40)
Net cash generated from/(used in) financing activities	9,572	(1,040)
Net increase in cash and cash equivalents	8,671	46
Cash and cash equivalents at beginning of period	1,807	3,317
Cash and cash equivalents at end of period (Note 13)	10,478	3,363

REVEZ CORPORATION LTD.

NOTES TO THE CONDENSED INTERIM 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”).

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

- (a) IT Solutions segment includes design and development of integrated suite of solutions from Meta Experience (“Meta”), Information Technology (“IT”), Cybersecurity and Industrial Automation
- (c) Digital media networks segment includes creating, owning and implementing digital media solutions and media networks

2 BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”)1-34 *Interim Financial Reporting*. 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 change in the Group’s financial position and performance of the Group since the last financial statements for the financial year ended 31 December 2022. The financial statements are presented in Singapore dollars (“S\$”), which is the Company’s functional currency, and all values are rounded to the nearest thousand (S\$’000) as indicated.

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

2.1 Adoption of New and Revised Standards

In the current financial period, the Group has adopted the new and revised SFRS(I) and Interpretations of SFRS(I) (“SFRS(I) INT”) that are relevant to its operations and effective for the current financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not result in substantial changes to the Group’s and Company’s accounting policies and had no material effect on the financial results or position.

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the application of the Group's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

(a) Critical judgements in applying the accounting policies

Revenue recognition for service contracts

The Group provides professional Information Technology ("IT") services, including sales of hardware and/or software products as required under the relevant contract terms. Revenue from service contracts is recognised over time based on the delivery of the milestones promised under the service contract. Management has assessed that the delivery of contract milestone is representative of the goods or services that are transferred to the customer promised under the service contract.

(b) Key sources of estimation uncertainty

Impairment of property, plant and equipment

Management reviews the Group's property, plant and equipment ("PPE") at each reporting date to determine whether there is any indication that the PPE may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amounts of the PPE are determined based on the value in use ("VIU") of the relevant cash-generating unit ("CGU") or group of CGUs. The VIU calculations require the estimation of future cash flows that are expected to arise from the CGUs, discount rates and other variables.

Impairment of investment in subsidiaries

Management reviews the Company's investment in subsidiaries at each reporting date to determine whether there is any indication that the investment may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of the investment is determined based on the value in use ("VIU") of the relevant cash-generating unit ("CGU") or group of CGUs. The VIU calculations require the estimation of future cash flows that are expected to arise from the CGUs, discount rates and other variables.

Loss allowance for trade receivables and contract assets

The Group measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime expected credit losses ("ECLs"). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables based on characteristics which have historically influenced asset recoverability, such as credit ratings, customer-industry group and customer geography, and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns. In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical default rates are updated and the impact of forward-looking information is re-analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

4 SEASONAL OPERATIONS

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

5 REVENUE

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the delivery of the following goods and services and the Group's revenue are predominantly attributed to Singapore:

	Group	
	6 months ended 30 Jun 2023 S\$'000	6 months ended 30 Jun 2022 S\$'000
<u>Revenue – timing of revenue recognition</u>		
Revenue from service contracts – over time	696	1,922
Revenue from distribution of IT products – at a point in time	701	871
Revenue from sale of industrial automation goods – at a point in time	-	241
Revenue from digital media services – over time	402	1,153
	1,799	4,187

(b) Contract balances

	Group	
	30 Jun 2023 S\$'000	31 Dec 2022 S\$'000
<u>Contract assets</u>		
Service contracts and IT products	1,142	857
<u>Contract liabilities</u>		
Service contracts and IT products	327	376

Contract assets relate to the Group's right to consideration for work completed on service contracts and IT products but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to the customer.

Contract liabilities relate to the Group's obligation to transfer goods or services to customers for which the Group has yet to transfer the goods or services to the customer promised in the service contracts but billed at the reporting date. Contract liabilities are recognised as revenue as the Group performs under the service contracts and IT products.

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

6 SEGMENT INFORMATION

The Group has determined the operating segments based on the internal reports reviewed by the executive management for the purpose of resource allocation and assessment of segment performance.

The Group's reportable operating segments are as follows:

- IT Solutions

IT Solutions segment includes design and development of integrated suite of solutions from Meta Experience ("Meta"), Information Technology ("IT"), Cybersecurity and Industrial Automation.

- Digital Media Networks

Digital media networks segment includes creating, owning and implementing digital media solutions and media networks.

- Corporate

Corporate segment consists of investment holding company which does not meet any of the quantitative threshold for determining a reportable operating segment.

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.

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

6 SEGMENT INFORMATION (Cont'd)

Information about operating segments

	<u>IT Solutions</u> S\$'000	<u>Digital Media Networks</u> S\$'000	<u>Corporate</u> S\$'000	<u>Total</u> S\$'000
Group				
<u>6 months ended 30 Jun 2023</u>				
<i>Revenue</i>				
Total revenue	1,397	402	-	1,799
Inter-segment revenue	-	-	-	-
External revenue	<u>1,397</u>	<u>402</u>	<u>-</u>	<u>1,799</u>
<i>Results</i>				
Loss before income tax	(801)	(187)	(1,205)	(2,193)
Income tax	-	-	-	-
Loss for the financial period	<u>(801)</u>	<u>(187)</u>	<u>(1,205)</u>	<u>(2,193)</u>
<i>Assets and liabilities</i>				
Segment assets	3,406	1,118	9,805	14,329
Segment liabilities	<u>(2,901)</u>	<u>(806)</u>	<u>(7,825)</u>	<u>(11,532)</u>
<i>Other segment information</i>				
Expenditure for property, plant and equipment	-	(7)	-	(7)
Other non-cash items:				
Depreciation of property, plant and equipment	(137)	(127)	-	(264)
(Impairment loss)/Reversal of impairment loss on trade receivables and contract assets, net	(152)	89	-	(63)
Loss on disposal of property, plant and equipment	(49)	-	-	(49)
Property, plant and equipment written off	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>(3)</u>

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

6 SEGMENT INFORMATION (Cont'd)

Information about operating segments (cont'd)

Group	<u>IT Solutions</u> S\$'000	<u>Digital Media Networks</u> S\$'000	<u>Corporate</u> S\$'000	<u>Total</u> S\$'000
<u>6 months ended 30 Jun 2022</u>				
<i>Revenue</i>				
Total revenue	2,935	1,258	-	4,193
Inter-segment revenue	(6)	-	-	(6)
External revenue	<u>2,929</u>	<u>1,258</u>	<u>-</u>	<u>4,187</u>
<i>Results</i>				
Profit/(loss) before income tax	571	9	(182)	398
Income tax	(10)	11	-	1
Profit/(loss) for the financial period	<u>561</u>	<u>20</u>	<u>(182)</u>	<u>399</u>
<i>Assets and liabilities</i>				
Segment assets	5,491	3,358	2,352	11,201
Segment liabilities	<u>(2,716)</u>	<u>(2,111)</u>	<u>(146)</u>	<u>(4,973)</u>
<i>Other segment information</i>				
Expenditure for property, plant and equipment	(7)	(589)	-	(596)
Other non-cash items:				
Depreciation of property, plant and equipment and investment property	(196)	(350)	-	(546)
Amortisation of intangible assets	-	(66)	-	(66)
(Impairment loss)/Reversal of impairment loss on trade receivables and contract assets, net	(56)	17	-	(39)
Reversal of allowance for inventory obsolescence	123	-	-	123
Gain on disposal of investment property	<u>506</u>	<u>-</u>	<u>-</u>	<u>506</u>

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

6 SEGMENT INFORMATION (Cont'd)

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the entities of the Group which the goods and services are provided. Segment non-current assets are based on the geographical location of the assets.

The Group's revenue from external customers were predominantly attributed to Singapore, while the revenues from external customers attributed to an individual foreign country were accounted for less than 10% of the total revenues of the Group.

The Group's non-current assets for the financial years ended 30 June 2023 and 31 December 2022 were wholly attributed to Singapore.

7 (LOSS)/PROFIT BEFORE INCOME TAX

The following items have been included in arriving at the (loss)/profit for the period:

	Group	
	6 months ended 30 Jun 2023 S\$'000	6 months ended 30 Jun 2022 S\$'000
Other income		
Government grants	67	169
Interest income	6	-
Reversal of allowance for inventory obsolescence	-	123
Gain on disposal of investment property	-	506
Other operating expenses		
Amortisation of intangible assets	-	66
Depreciation of property, plant and equipment and investment property	264	546
Impairment loss on trade receivables and contract assets, net	63	39
Loss on disposal of property, plant and equipment	49	-
Property, plant and equipment written off	3	-
Legal and professional fees	939	234
Listing fees	126	42
Outsourcing fee	173	198
Subscription and license fees	50	37

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

8 (LOSS)/EARNINGS PER SHARE

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

	6 months ended 30 Jun 2023	6 months ended 30 Jun 2022
(Loss)/earnings per share (in SGD cents)		
- Basic ⁽¹⁾		
- Fully diluted ⁽²⁾	<u>(1.26)</u>	<u>0.28</u>

⁽¹⁾ Basic loss/ earnings per share (“**EPS**”) is calculated on the Group’s (loss)/profit for the period attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the reporting period of 174,731,896 shares (30 June 2022: 167,499,937 shares).

⁽²⁾ As there are no dilutive potential ordinary shares issued and/or granted, the fully diluted EPS is the same as the basic EPS.

9 NET ASSET VALUE

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) currently period reported on and (b) immediately preceding financial year.

	Group		Company	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
Net asset value per ordinary share (cents)	<u>1.41</u>	<u>0.79</u>	<u>1.30</u>	<u>0.35</u>

Net asset value per share is calculated based on share capital of 197,941,437 ordinary shares in issue as at 30 June 2023 (31 December 2022: 167,499,937).

**REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

10 PROPERTY, PLANT AND EQUIPMENT

	<u>Office properties</u> S\$'000	<u>Computers</u> S\$'000	<u>Furniture and fittings</u> S\$'000	<u>Office equipment</u> S\$'000	<u>Renovation</u> S\$'000	<u>Media equipment</u> S\$'000	<u>Total</u> S\$'000
Group							
<u>Cost</u>							
Balance at 1 January 2023	569	407	35	100	177	3,073	4,361
Additions	-	-	-	-	-	7	7
Write off	-	(32)	-	-	-	-	(32)
Disposal	(569)	(209)	(35)	(78)	(177)	-	(1,068)
Balance at 30 June 2023	-	166	-	22	-	3,080	3,268
<u>Accumulated depreciation and impairment loss</u>							
Balance at 1 January 2023	404	195	15	95	142	2,101	2,952
Depreciation charge	97	23	3	1	15	125	264
Write off	-	(29)	-	-	-	-	(29)
Disposal	(501)	(77)	(18)	(78)	(157)	-	(831)
Balance at 30 June 2023	-	112	-	18	-	2,226	2,356
<u>Net book value</u>							
At 30 June 2023	-	54	-	4	-	854	912

**REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

10 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	<u>Office properties</u> S\$'000	<u>Computers</u> S\$'000	<u>Furniture and fittings</u> S\$'000	<u>Office equipment</u> S\$'000	<u>Renovation</u> S\$'000	<u>Media equipment</u> S\$'000	<u>Total</u> S\$'000
Group							
<u>Cost</u>							
Balance at 1 January 2022	886	469	42	227	196	2,674	4,494
Additions	-	12	-	-	-	597	609
Write off	(201)	(60)	-	-	-	(198)	(459)
Disposal	-	-	(7)	(1)	(18)	-	(26)
Disposal of a subsidiary	(116)	(14)	-	(126)	(1)	-	(257)
Balance at 31 December 2022	<u>569</u>	<u>407</u>	<u>35</u>	<u>100</u>	<u>177</u>	<u>3,073</u>	<u>4,361</u>
<u>Accumulated depreciation and impairment loss</u>							
Balance at 1 January 2022	394	165	10	127	47	243	986
Depreciation charge	264	83	9	27	107	669	1,159
Impairment loss	-	-	-	-	-	1,336	1,336
Write off	(138)	(48)	-	-	-	(147)	(333)
Disposal	-	-	(4)	(1)	(12)	-	(17)
Disposal of a subsidiary	(116)	(5)	-	(58)	-	-	(179)
Balance at 31 December 2022	<u>404</u>	<u>195</u>	<u>15</u>	<u>95</u>	<u>142</u>	<u>2,101</u>	<u>2,952</u>
<u>Net book value</u>							
At 31 December 2022	<u>165</u>	<u>212</u>	<u>20</u>	<u>5</u>	<u>35</u>	<u>972</u>	<u>1,409</u>

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

11 INVESTMENT IN SUBSIDIARIES

	Company	
	30 Jun 2023	31 Dec 2022
	S\$'000	S\$'000
<u>Unquoted equity shares, at cost</u>		
Balance at 1 January	48,111	47,430
Capital injection	-	1,500
Capital reduction	-	(234)
Disposal of a subsidiary	-	(566)
Subsidiaries struck off	-	(19)
	<u>48,111</u>	<u>48,111</u>
Less: allowance for impairment loss	(47,495)	(47,495)
Balance as at 30 June 2023 and 31 December 2022	<u>616</u>	<u>616</u>

12 TRADE AND OTHER RECEIVABLES

	Group		Company	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables:				
- third parties	1,135	2,219	-	-
Less: Loss allowance	(557)	(494)	-	-
	578	1,725	-	-
Other receivables:				
- third parties	70	92	69	86
Amount due from subsidiaries	-	-	1,316	1,341
Less: Loss allowance	-	-	(1,316)	(1,341)
	-	-	-	-
Deposits	71	95	-	-
	<u>719</u>	<u>1,912</u>	<u>69</u>	<u>86</u>
GST receivables	27	27	16	11
Prepayments	295	303	77	46
	<u>1,041</u>	<u>2,242</u>	<u>162</u>	<u>143</u>

Trade receivables are unsecured, non-interest bearing and have an average credit term of 30 days.

The amount due from subsidiaries are non-trade in nature, unsecured, and repayable between 3 – 48 months from the date of the drawdown and bear a fixed interest of 2% per annum. Management assessed the amounts due from subsidiary are unlikely to be recovered based on the financial performance and/or financial position of the relevant subsidiary, and accordingly, has fully impaired the amounts due at the prior financial year.

Prepayment mainly relates to prepaid license fee and project related costs.

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

13 it CASH AND BANK BALANCES

	Group		Company	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Cash at bank	10,478	1,807	9,643	70
Short-term deposits	756	-	-	-
	<u>11,234</u>	<u>1,807</u>	<u>9,643</u>	<u>70</u>
Less: Short-term deposits with maturity period of more than 3 months	(756)	-	-	-
Cash and cash equivalents per consolidated statement of cash flows	<u>10,478</u>	<u>1,807</u>	<u>9,643</u>	<u>70</u>

In 2023, short-term deposits are made for a fixed period of six months and earn a fixed interest at 3% per annum.

14 SHARE CAPITAL

	30 Jun 2023		31 Dec 2022	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
Group				
Issued and fully paid-up:				
Balance at beginning of period/year	167,499,937	18,713	167,499,937	18,713
Issuance of ordinary shares	30,441,500	3,163	-	-
Balance at end of period/year	<u>197,941,437</u>	<u>21,876</u>	<u>167,499,937</u>	<u>18,713</u>

The Group's share capital amount differed from that of the Company as a result of the reverse acquisition completed in May 2019. The equity structure (i.e. the number and types of equity instruments issued) reflected the equity structure of the Company, being the legal parent, including the equity instruments issued by the Company to reflect the reverse acquisition.

	30 Jun 2023		31 Dec 2022	
	Number of ordinary shares	S\$'000	Number of ordinary shares	S\$'000
Company				
Issued and fully paid-up:				
Balance at beginning of period/year	167,499,937	62,030	167,499,937	62,030
Issuance of ordinary shares	30,441,500	3,163	-	-
Balance at end of period/year	<u>197,941,437</u>	<u>65,193</u>	<u>167,499,937</u>	<u>62,030</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 dividends as and when declared by the Company.

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

15 LOANS AND BORROWINGS

	Group		Company	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Current liabilities</u>				
Lease liabilities	-	192	-	-
Bank borrowing – Term loan (Note (a))	265	261	-	-
Bank borrowing – Temporary bridging loan (Note (b))	240	240	-	-
Loan from a controlling shareholder (Note (c))	2,000	-	2,000	-
	2,505	693	2,000	-
<u>Non-current liabilities</u>				
Bank borrowing – Term loan (Note (a))	456	435	-	-
Bank borrowing – Temporary bridging loan (Note (b))	301	578	-	-
	757	1,013	-	-

(a) Bank borrowing – Term loan

The term loan is used to part finance the purchase of the Group's media equipment, which is repayable over 48 monthly instalments and bears a fixed interest at 3.5% per annum.

The loan is secured by a first fixed and floating charge over the Group's certain media equipment and a corporate guarantee of S\$1,305,000 provided by the Company.

(b) Bank borrowing – Temporary bridging loan

The temporary bridging loan is used for the Group's working capital requirements, which is repayable over 60 monthly instalments and bears a fixed interest at 2% per annum. The loan is secured by a corporate guarantee of S\$2,000,000 provided by the Company.

(c) Loan from a controlling shareholder

The loan from a controlling shareholder is unsecured, interest-free and repayable in two years from the date of drawdown of the loan or any such date as may be extended with prior written consent. The loan has been repaid in July 2023.

16 TRADE AND OTHER PAYABLES

	Group		Company	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables - third parties	754	769	-	-
Other payables - third parties	287	21	195	22
Advances from investors	4,808	-	4,808	-
Amount due to a subsidiary	-	-	13	-
Dividend payable to the former shareholder of a subsidiary	-	510	-	-
Accrued operating expenses	1,097	681	822	220
Accrued IT products cost	959	842	-	-
	7,905	2,823	5,838	242
GST payables	38	93	-	-
	7,943	2,916	5,838	242

REVEZ CORPORATION LTD.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

16 TRADE AND OTHER PAYABLES (Cont'd)

Trade payables are unsecured, non-interest bearing and are settled on an average term of 30 days.

The dividend payable to the former shareholder of a subsidiary is unsecured, interest-free, and repayable on demand and was waived during the current financial period.

Accrued IT products cost refer to unbilled supplies that are outstanding at the reporting date.

Advances from investors are unsecured, non-interest bearing and repayable on demand.

17 RELATED PARTIES TRANSACTIONS

Compensation of key management personnel

The remuneration of the key management personnel of the Group during the financial year are as follow:

	Group	
	30 Jun 2023	30 Jun 2022
	S\$'000	S\$'000
Salaries and other short-term employee benefits	88	220
Contributions to defined contribution plans	8	18
Directors' fees paid/payable by the Company	38	55
	<u>134</u>	<u>293</u>

18 SUBSEQUENT EVENTS

On 4 July 2023, the Company has completed the acquisition of 60% of the issued and paid-up share capital of Magenta Wellness Pte Ltd ("Magenta Wellness"). Magenta Wellness has become a subsidiary of the Company.

On 6 July 2023, the Company has completed the issue and allotment of an aggregate of 51,223,500 Tranche 2 Subscription Shares in accordance with the terms of the Tranche 2 Subscription Agreements. Following the allotment and issuance of the Tranche 2 Subscription Shares, the total number of issued shares of the Company has increased from 197,941,437 to 249,164,937 shares.

19. OTHER RESERVE

Other reserve represents the reversal of dividends payables to the former shareholder of PGK Digital Networks Pte Ltd ("PGK"), a wholly-owned subsidiary of the Company. As announced on 26 June 2023, the Company, following mediation, entered into a full and final settlement of all claims and counterclaims in HC/OC 453 without admission of liability. Thereafter, the dividends payable to the former shareholder of PGK were waived.

REVEZ CORPORATION LTD.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

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

	30 Jun 2023	
	Number of ordinary shares	S\$'000
Company		
Issued and fully paid-up:		
Balance as at 1 January 2023	167,499,937	62,030
Placement	30,441,500	3,163
Balance at 30 June 2023	<u>197,941,437</u>	<u>65,193</u>

The Company did not have any treasury shares, subsidiary holdings or other convertibles as at 30 June 2023 and 30 June 2022.

- 1 (ii) 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.

The total number of issued shares as at end of 30 June 2023 and 31 December 2022 was 197,941,437 shares and 167,499,937 shares respectively.

The Company did not have treasury shares as at the end of the respective financial period/year.

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

Not applicable.

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

Not applicable.

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

The figures have not been audited nor reviewed by the auditors.

REVEZ CORPORATION LTD.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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

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

- 4 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

Revenue

The Group generated revenue of S\$1,799,000 for the 6 months ended 30 June 2023 ("6M2023"), representing a decrease of S\$2,388,000 or 57% from the revenue of S\$4,187,000 for the 6 months ended 30 June 2022 ("6M2022"). The decline in revenue was driven by the impact on the more competitive and weaker IT industry in Singapore during 6M2023.

Other income

Other income decreased by S\$706,000 or 86% from S\$821,000 in 6M2022 to S\$115,000 in 6M2023, mainly due to the Group recognised a gain on disposal of investment property of S\$506,000 and reversal of allowance for inventory obsolescence of S\$123,000 in 6M2022, whereas no such gain recorded in 6M2023.

Material costs and change in inventories

Material costs and changes in inventories decreased by S\$439,000 or 31% from S\$1,417,000 in 6M2022 to S\$978,000 in 6M2023, which was in line with the decrease in revenue.

Salaries and employees' benefits

Salaries and employees' benefits declined by S\$607,000 or 33% from S\$1,851,000 in 6M2022 to S\$1,244,000 in 6M2023, which was resulted from reducing headcounts.

Depreciation of property, plant and equipment

Depreciation decreased by S\$277,000 or 51% from S\$546,000 in 6M2022 to S\$269,000 in 6M2023 due to disposal of property, plant and equipment during the current financial period and impairment provided in the last financial year.

Impairment loss on trade receivables and contract assets, net

Impairment loss of trade receivables and contract assets, net of S\$63,000 was recognised based on the expected credit losses assessment done by management as at 30 June 2023.

REVEZ CORPORATION LTD.

Other operating expenses

Other operating expenses increased by S\$879,000 or 135% from S\$651,000 in 6M2022 to S\$1,530,000 in 6M2023. The increases were mainly attributable to legal and professional fees incurred in relation to the proposed acquisition and proposed diversification.

Finance costs

Finance costs decreased by S\$17,000 or 43% from S\$40,000 in 6M2022 to S\$23,000 in 6M2023 due to repayment of bank loan of S\$252,000 as well as a decrease in interest on lease liabilities as office lease terminated during the period under review.

Loss for the financial period

As a result of the aforementioned, the Group reported a net loss of S\$2,193,000 for 6M2023 as compared to a net profit of S\$399,000 in 6M2022.

REVIEW OF FINANCIAL POSITION

Non-current assets

The Group's non-current assets stood at S\$912,000 as at 30 June 2023, compared to S\$1,409,000 as at 31 December 2022. The decrease in non-current assets of S\$497,000 was mainly attributable to a decrease in property, plant and equipment due to disposal of property, plant and equipment and depreciation during the current financial year.

Current assets

The current assets stood at S\$13,417,000 as at 30 June 2023, compared to S\$4,906,000 as at 31 December 2022. Overall, the increase in current assets of S\$8,511,000 was mainly attributable an increase in cash and cash equivalent of S\$9,427,000 and increase in contract assets of S\$285,000, partially offset by the decrease in trade and other receivables of S\$1,201,000. The increase in cash and cash equivalents was mainly due to the advance received from investors of S\$4,808,000, loan from controlling shareholder of S\$2,000,000 and proceeds from share subscription of S\$3,163,000.

Current liabilities

The current liabilities stood at S\$10,775,000 as at 30 June 2023, compared to S\$3,985,000 as at 31 December 2022. The net increase in current liabilities of S\$6,790,000 was mainly due to the increase in trade and other payables of S\$5,027,000, and the increase in loans and borrowings of S\$1,812,000. The increase in trade and other payables was mainly due to advances from investors and accrued operating expenses, partially offset by reversal of dividend payable to the former shareholder of a subsidiary. The increase in loans and borrowings was due to loan from a controlling shareholder.

Non-current liabilities

The current liabilities stood at S\$757,000 as at 30 June 2023, compared to S\$1,013,000 as at 31 December 2022. The decrease of S\$256,000 in non-current liabilities was mainly due to repayment of bank borrowings during the period under review.

Overall, the Group's net assets stood at S\$2,797,000 as at 30 June 2023, compared to S\$1,317,000 as at 31 December 2022.

REVIEW OF CASH FLOWS

The Group recorded net cash flows used in operating activities of S\$258,000 for 6M 2023 mainly due to operating losses incurred, partially offset by cash inflow from trade and other receivables during the period under review.

The Group's net cash used in investing activities of S\$643,000 in 6M2023 was mainly due to placed bank deposit of S\$756,000, and partially offset by the proceeds from disposal of property, plant and equipment of S\$120,000.

The net cash flow generated from financing activities of S\$9,572,000 in 6M2023 was mainly attributable to advance received from investors of S\$4,808,000, loan from a controlling shareholder of S\$2,000,000 and proceeds from share placement of S\$3,163,000 during the period under review.

On account of the above, the Group's cash and cash equivalent in the consolidated statement of cash flows as of 30 June 2023 amounted to S\$10,478,000.

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

The Group's result for the six months ended 30 June 2023 is consistent with the profit guidance announcement released by the Company on 28 July 2023.

6 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.

As elaborated in the Company's circular to Shareholders dated 12 June 2023 and EGM held on 27 June 2023, the Company has expanded its core business to include the healthcare industry and healthcare related business segments ("Healthcare Business") as part of the Group's strategy to create new growth drivers and revenue streams, to enhance Shareholder value and reduce the Group's reliance on its existing business ("Diversification"). Pursuant to the Diversification, the Company has completed the acquisition of Magenta Wellness Pte. Ltd. on 4 July 2023. The Company is in advanced discussions with several potential targets in the healthcare space and if such discussions come to fruition, the Company will make further investments to expand its Healthcare Business.

7 Dividend

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

None.

(b) (i) Current financial period reported on

There were no dividends declared for the current financial period reported on.

(ii) Corresponding period of the immediately preceding financial year

Not applicable. No dividend was declared in HY2022.

(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.

8 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.

9 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.

On 28 April 2023, the Company entered into a subscription agreement with a controlling shareholder of the Company, Lim Quee Lan ("Mdm Lim") pursuant to which Mdm Lim will subscribe for 24,334,162 shares of the Company at the issue price of S\$0.1039 per share. The Company has obtained shareholders' approval at the extraordinary general meeting held on 27 June 2023 and the subscription by Mdm Lim has been completed on 6 July 2023. For further details, please refer to the circular dated 12 June 2023.

REVEZ CORPORATION LTD.

10 Update on use of Compliance Placement Proceeds

The Company had on 19 May 2023 and 6 July 2023 issued new ordinary shares in respect of the subscription of the Company's shares by the investors in accordance with the share subscription agreements dated on 28 April 2023 and 12 June 2023 respectively. The Company has raised net proceeds of approximately S\$8.39 million from the allotment and issuance of 81,665,000 Shares.

As at the date of this announcement, the proceeds have been utilised as follows:

Description	Placement proceeds allocation S\$'000	Utilisation up to 11 Aug 2023 S\$'000	Balance S\$'000
Proposed Acquisition and the Proposed Diversification	5,450	4,830	620
Repayment of the S\$2,000,000 interest-free loan provided by Lim Quee Lan	2,000	2,000	-
General working capital of the Group	935	913 ⁽¹⁾	22
Total	8,385	7,743	642

⁽¹⁾ Working capital includes professional fees, payroll and general overheads.

The use of the Net Proceeds as disclosed above is consistent with the intended use of the proceeds as disclosed in the Circular dated 12 June 2023.

11 Disclosure pursuant to Rule 706A of the Catalist Listing Manual

The Company did not acquire or dispose of shares in any companies during the current financial period.

The Company announced on 4 July 2023 that it had completed the acquisition of 60% of the issued and paid-up share capital of Magenta Wellness Pte Ltd ("Magenta Wellness"). Magenta Wellness has become a subsidiary of the Company. Please refer to the Company's circular dated 12 June 2023 for more information on the acquisition of Magenta Wellness.

12 Negative Confirmation by the Board pursuant to Rule 705(5) of the Catalist 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 6 months ended 30 June 2023 to be false or misleading in any material aspect.

13 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.

REVEZ CORPORATION LTD.

By Order of the Board
REVEZ CORPORATION LTD.

Jennifer Zhang Dan
Executive Director

Date: 11 August 2023

This announcement has been prepared by Revez Corporation Ltd. ("Company") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited ("Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

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

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