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WMCH GLOBAL INVESTMENT LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8208)

(1) DELAY IN PUBLICATION OF AUDITED RESULT ANNOUNCEMENT AND ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

(2) PUBLICATION OF UNAUDITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

CHARACTERISTICS OF THE GEM (“GEM”) OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement is made by WMCH Global Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of the Stock Exchange and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 21 March 2022 (the “**Prior Announcement**”) in relation to, among others, its delay in publication of the Audited Annual Results for the year ended 31 December 2021. Capitalised terms used herein shall have the same meanings as those defined in the Prior Announcement unless otherwise stated herein.

DELAY IN PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Pursuant to Rules 18.03, 18.48A and 18.49 of the GEM Listing Rules, the Company is required to publish an announcement in relation to the final results of the Group for the year ended 31 December 2021 (the “**2021 Annual Results**”) and despatch the annual report (the “**2021 Annual Report**”) for the year ended 31 December 2021 not later than three months after the end of the financial year of the Company (i.e. on or before 31 March 2022). Under Rule 13.49(2) of the Listing Rules, the 2021 Annual Results announcement shall be based on 2021 Annual Results which shall have been agreed with the auditor.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby wishes to inform the shareholders and potential investors of the Company that 2021 Annual Results will be delayed as additional time required for the completion of audit work in respect of the financial information of the Group for the 2021 Annual Results.

Due to the recent surge in COVID-19 cases in Hong Kong, some accounting staff of the associate company of Eidea Professional Services Company Limited (the “**Eidea**”) were infected with COVID-19 and were unable to deliver the management accounts and supporting documents required for audit timely. Besides, appointed auditor by the Company facing manpower crunch as a few of the staff were infected with COVID-19 and additional time is required for completion of audit procedures. In addition, some management staff and engineers of the Group were infected with COVID-19 as well and hence it takes longer time to provide the supporting documents for auditing purpose.

PUBLICATION OF UNAUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Board wishes to set forth below the unaudited consolidated financial information extracted from the management accounts of the Group for the year ended 31 December 2021 (“**Unaudited Management Accounts**”). The Directors confirm that the following unaudited consolidated financial information is prepared on the same basis as used in the audited financial statements of the Group for the year ended and as of 31 December 2021.

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

For the year ended 31 December 2021

	<i>Notes</i>	2021 SGD'000 (unaudited)	2020 <i>SGD'000</i> <i>(audited)</i>
Revenue	4	8,846	9,323
Cost of services		<u>(8,084)</u>	<u>(8,627)</u>
Gross profit		762	696
Other income, gains and losses, net	5	769	983
Administrative expenses		(3,591)	(4,880)
Allowance for expected credit losses, net		(289)	(54)
Share of result of an associate		(116)	–
Finance costs		<u>(38)</u>	<u>(41)</u>
Loss before income tax	6	(2,503)	(3,296)
Income tax expense	7	<u>–</u>	<u>(33)</u>
Loss for the year		<u>(2,503)</u>	<u>(3,329)</u>
Other comprehensive income for the year			
<i>Item that may be classified subsequently to profit and loss:</i>			
Exchange differences arising on translation of foreign operation		<u>68</u>	<u>9</u>
Other comprehensive income for the year, net of tax		<u>68</u>	<u>9</u>
Total comprehensive loss for the year		<u>(2,435)</u>	<u>(3,320)</u>
Loss for the year attributable to:			
Owners of the Company		<u>(2,503)</u>	<u>(3,329)</u>
Total comprehensive loss for the year attributable to:			
Owners of the Company		<u>(2,435)</u>	<u>(3,320)</u>
Loss per share	9		
— Basic and diluted (in Singapore cents)		<u>(0.38)</u>	<u>(0.55)</u>

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	<i>Notes</i>	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
Non-current assets			
Property, plant and equipment		387	414
Investment property		1,343	1,369
Rights-of-use assets		249	129
Interest in an associate		7,919	–
		9,898	1,912
Current assets			
Trade and other receivables	10	2,229	2,664
Contract assets		471	1,734
Cash and bank balances		3,880	4,804
		6,580	9,202
Current liabilities			
Trade and other payables	11	1,302	1,467
Lease liabilities		112	72
Contract liabilities		19	–
Tax payable		–	164
Borrowing		51	50
Amount due to a director		187	184
		1,671	1,937
Net current assets		4,909	7,265
Total assets less current liabilities		14,807	9,177
Non-current liabilities			
Borrowing		740	790
Lease liabilities		143	61
		883	851
Net assets		13,924	8,326
Capital and reserves			
Share capital		1,257	1,048
Reserves		12,667	7,278
Total equity		13,924	8,326

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

WMCH Global Investment Limited (the “**Company**”) is a public limited company incorporated in Cayman Islands and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its parent is WMCH Global Holdings Limited (incorporated in the British Virgin Islands (“**BVI**”). Its ultimate controlling party is Mr. Wong Seng (“**Mr. Wong**”), who is also the Chairman, Chief Executive Officer and Executive Director of the Company.

The Company’s registered office address is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office and principal place of business of the Group at 28 Sin Ming Lane, #04-137 Midview City, Singapore 573972. The Company has been registered as a non-Hong Kong company under part 16 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) on 18 January 2019. Its shares were initially listed on the GEM of the Stock Exchange of Hong Kong Limited on 29 November 2019.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of civil and structural engineering consultancy services and provision of other services including master planning, structural due diligence and visual inspection of existing buildings.

The consolidated financial statements are presented in Singapore dollar (“**SGD**”), which is the functional currency of the Company. As the directors of the Company consider that SGD is the functional currency of the primary economic environment in which most of the Group’s transactions are denominated and settled in and this presentation is more useful for its current and potential investors. The consolidated financial statements are presented in thousands of SGD (“**SGD’000**”), unless otherwise stated.

2. APPLICATION OF AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“**IFRSs**”)

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the Amendments to References to the Conceptual Framework in IFRS standards and the following amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform — Phase 2
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In addition, the Group has early applied the Amendment to IFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021.

In addition, the Group applied the agenda decision of the IFRS Interpretations Committee (the “**Committee**”) of the International Accounting Standards Board issued in June 2021 which clarified the costs an entity should include as “estimated costs necessary to make the sale” when determining the net realisable value of inventories.

The application of the Amendments to IFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

IFRS 17	Insurance Contracts and the related Amendments ²
Amendments to IFRS 3	Reference to the Conceptual Framework ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to IAS 1	Classification of Liabilities as Current or Non-current ²
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies ²
Amendments to IAS 8	Definition of Accounting Estimates ²
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ²
Amendments to IAS 16	Property, Plant and Equipment: Proceeds before Intended Use ¹
Amendments to IAS 37	Onerous Contracts — Cost of Fulfilling a Contract ¹
Amendments to IFRS Standards	Annual Improvements to IFRS Standards 2018-2020 ¹

¹ Effective for annual periods beginning on or after 1 January 2022.

² Effective for annual periods beginning on or after 1 January 2023.

³ Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of all other new and amendments to IFRSs will have no material impact on the unaudited consolidated financial statements in the foreseeable future.

Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of IAS 12 Income Taxes so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Group applies IAS 12 requirements to the relevant assets and liabilities separately. Temporary differences on initial recognition of the relevant assets and liabilities are not recognised due to application of the initial recognition exemption.

Upon the application of the amendments, the Group will recognise a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with the right-of-use assets and the lease liabilities.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with early application permitted. As at 31 December 2021, the carrying amounts of right-of-use assets and lease liabilities which are subject to the amendments amounted to approximately SGD249,000 and SGD255,000 respectively. The Group is still in the process of assessing the full impact of the application of the amendments.

3. BASIS OF PREPARATION

The unaudited consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value or revalued amounts at the end of each reporting period, as explained in the accounting policies set out below.

The director of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

4. REVENUE AND SEGMENT INFORMATION

The Group's principal activities are provision of civil and structural engineering consultancy services. Revenue is recognised over time and is disaggregated by nature of services as follows:

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
Consultancy services fee	8,300	8,602
Other service fee	546	721
	8,846	9,323

Revenue is measured based on the consideration specified in a contract with a client and excludes amounts collected on behalf of third parties. Under the contracts with clients, each consultancy service contract relates to facts and circumstances that are specific to each client. Contract terms provide the Group with an enforceable right to payment, for its performance completed to date, of its costs incurred plus a reasonable margin.

5. OTHER INCOME, GAINS AND LOSSES, NET

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
Rental income	33	18
Interest income	10	25
Government grant (<i>note</i>)	549	747
Exchange (loss)/gain, net	19	49
Other income or loss	154	124
Covid-19 related rent concession	4	20
	<u>769</u>	<u>983</u>

Note: The government grants received mainly comprise of the Job Support Scheme, Special Employment Credit Scheme and the Temporary Employment Credit Scheme, which are incentives received upon fulfilling the conditions for compensation of expenses already incurred or as immediate financial support. There were no fulfilled conditions or contingencies relating to those government grants. In addition, the Group recognised government grants of approximately SGD549,000 (2020: SGD747,000) of which approximately SGD356,000 (2020: SGD709,000) in respect of Covid-19 related subsidies, relates to Job Support Scheme provided by the Singapore Government.

6. LOSS BEFORE INCOME TAX

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
Loss before income tax is stated after charging:		
(a) Staff costs (including directors' emoluments) (<i>note</i>)		
— Salaries, wages and other benefits	8,272	9,288
— Contributions to defined contribution retirement plans	912	952
	<u>9,184</u>	10,240
(b) Other items		
Depreciation for property, plant and equipment and investment property	102	134
Depreciation for right-of-use assets	109	150
Research and development expenses	61	593
Auditors remuneration		
— audit services annual audit services	118	116
Expenses relating to short-term lease	91	70
	<u>91</u>	<u>70</u>

Note:

Staff costs (including directors' emoluments)

	2021	2020
	SGD'000	SGD'000
	(unaudited)	(audited)
Cost of services	7,056	7,871
Administrative expenses	2,128	2,369
	9,184	10,240

7. INCOME TAX EXPENSE

	2021	2020
	SGD'000	SGD'000
	(unaudited)	(audited)
Current tax		
— Singapore corporate income tax	—	14
— Vietnam corporate income tax	—	20
— Hong Kong profits tax	—	(1)
Income tax expense	—	33

The applicable tax rate of subsidiaries in Singapore and Vietnam are 17% and 20% respectively for the years ended 31 December 2021 and 2020.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazette on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for taxation in Hong Kong has been made as the Group's income neither arises in, nor is derived from, Hong Kong for both years.

8. DIVIDEND

The directors of the Company do not declare or propose any payment of final dividend for the years ended 31 December 2021 and 2020.

No dividends have been paid or declared by the Company since its date of incorporation.

9. LOSS PER SHARE

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
Loss for the year attributable to the owners of the Company	<u>(2,503)</u>	<u>(3,329)</u>
	<i>'000</i>	<i>'000</i>
Weighted average number of ordinary shares for the purpose of calculating basic loss per share (<i>note</i>)	<u>656,548</u>	<u>600,000</u>

Note: The calculation of basic loss per share is based on the loss attributable to owners of the Company for the year of approximately SGD2,503,000 (2020: SGD3,329,000) and the weighted average number of 656,548,000 (2020: 600,000,000) ordinary shares in issue during the year ended 31 December 2021 and adjusted for the issue of consideration shares on 13 July 2021.

The diluted loss per share is the same as the basic loss per share as there were no potential dilutive ordinary shares in issue during both years.

10. TRADE AND OTHER RECEIVABLES

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
Trade receivables	2,186	2,421
Less: Allowance for expected credit losses	<u>(120)</u>	<u>(39)</u>
	<u>2,066</u>	<u>2,382</u>
Other receivables	30	53
Prepayments and deposits	134	231
Less: Allowance for expected credit losses	<u>(1)</u>	<u>(2)</u>
	<u>163</u>	<u>282</u>
	<u>2,229</u>	<u>2,664</u>

The ageing analysis of the trade receivables based on the invoice date, net of allowance for expected credit losses, is as follows:

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
0–30 days	1,373	1,338
31–60 days	467	434
61–90 days	68	114
91–180 days	65	322
181–270 days	69	56
271–365 days	–	43
Over 365 days	24	75
	2,066	2,382

11. TRADE AND OTHER PAYABLES

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
Trade payables	134	90
Other payables	329	647
Accrued expenses	839	730
	1,302	1,467

The Group is usually granted by subcontractors with a credit term of 0 to 30 days. The ageing analysis of trade payables based on the invoice date is as follows:

	2021 <i>SGD'000</i> (unaudited)	2020 <i>SGD'000</i> (audited)
0–30 days	–	82
31–60 days	71	5
61–90 days	–	–
91–180 days	12	3
Over 180 days	51	–
	134	90

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group has been operating in the civil and structural engineering market in Singapore for more than 15 years. Leveraging on our industry experience in Singapore, we have been providing civil and structural engineering consultancy services in Vietnam since 2009. The Group mainly provides services in Singapore and Vietnam. The Group provides the following services: (i) civil and structural engineering consultancy services and (ii) other services including master planning, structural due diligence and visual inspection of existing buildings.

The Group's key objective is to provide engineering expertise and ingenuity to achieve the clients' objectives, which includes completing the project on time, within budget and with the right quality so as to achieve sustainable growth in terms of our business and financial performance.

Due to outbreak of a COVID-19 pandemic, many countries have implemented emergency public health measures and have taken various actions to prevent the spread of the COVID-19 pandemic including travel restriction and lockdown measures. Such measures caused general disruption to production, supply chain and logistic of services. Although some countries gradually ceased the lockdown measures, the global market remains challenging and market sentiments still have to take a long time to fully recover unless preventive measures are available to prevent the COVID-19 infection.

FUTURE PROSPECTS

With the Group's experienced management team and reputation in the market, the Directors believe that the Group is well-positioned to compete against our current competitors, though we opine that the coming financial years should continue to be challenging for our industry sector due to the uncertain global environment and rising costs in Singapore, Vietnam and Hong Kong which may affect the Singapore, Vietnam and Hong Kong's economics.

The Company has also been continuously evaluating the current business strategies of the Group and the use of capital by the Group's existing businesses with an aim to ensure resources are being used effectively to improve its overall performance. The Company has been actively looking to diversify the revenue sources of the Group in order to create more value to shareholders through acquiring businesses or projects that have promising outlooks and prospects.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately SGD0.5 million or 5.4%, from approximately SGD9.3 million for the year ended 31 December 2020 to approximately SGD8.8 million for the year ended 31 December 2021. The decrease of revenue was mainly due to conventional projects which accounted for approximately SGD2.8 million for the year ended 31 December 2021, representing a decrease of approximately SGD0.3 million from approximately SGD3.1 million for the year ended 31 December 2020.

The decrease in revenue primarily due to the outbreak of COVID-19 during the year ended 31 December 2021. The surge in COVID-19 cases in Vietnam has caused implementation of lockdown measure to minimize the transmission. Some of the construction projects has to stop work or delayed in work. Generally, most of the construction progress was slowed down due to severe disruption in supply of raw materials and manpower constraints in both Singapore and Vietnam.

Cost of Services

The Group's cost of services decreased by approximately SGD0.5 million or 5.8%, from approximately SGD8.6 million for the year ended 31 December 2020 to approximately SGD8.1 million for the year ended 31 December 2021 which largely due to (i) no payment of special bonus to our Singapore staff for the year ended 31 December 2021 (2020: SGD0.2 million) and (ii) adjustment of staff salary by lower 5% to 20% for the period from March 2021 to May 2021.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately SGD0.1 million or 14.3%, from approximately SGD0.7 million for the year ended 31 December 2020 to approximately SGD0.8 million for the year ended 31 December 2021, which mainly due to lower cost of services as discussed above.

Other Income

Other income decreased by approximately SGD214,000 or 21.8%, from approximately SGD983,000 for the year ended 31 December 2020 to approximately SGD769,000 for the year ended 31 December 2021, which was primarily due to lesser amount received from government as subsidy for manpower costs.

Administrative Expenses

The Group's administrative expenses decreased by approximately SGD1.3 million or 26.8%, from approximately SGD4.9 million for the year ended 31 December 2020 to approximately SGD3.6 million for the year ended 31 December 2021, which mainly due to lower marketing fee and adjustment of staff salary by lower 5% to 20% for the period from March 2021 to May 2021.

Finance Costs

The finance costs mainly consist of interest expenses on bank borrowings and lease liabilities. The finance costs for interest expenses on bank borrowings remained at a stable level with approximately SGD35,000 and SGD28,000 for the year ended 31 December 2020 and 2021 respectively.

Income Tax Expenses/Credits

As all of the Group's profit are derived from Singapore, Vietnam and Hong Kong, the Group is subject to income tax in Singapore, Vietnam and Hong Kong.

The Group's income tax expenses decreased by approximately SGD33,000 or 100.0% from income tax expense of approximately SGD33,000 for the year ended 31 December 2020 primarily due to loss for the year ended 31 December 2021.

Loss for the Year

The loss for the year ended 31 December 2021 was approximately SGD2.5 million, as compared with the loss of approximately SGD3.3 million for the year ended 31 December 2020. The lower loss was mainly attributable to the higher revenue was generated for the year ended 31 December 2021 and decrease in cost of services and administrative expenses as discussed above.

LIQUIDITY, FINANCIAL POSITION AND CAPITAL STRUCTURE

As at 31 December 2021,

- (a) the Group's total assets decreased to approximately SGD16.5 million (2020: approximately SGD11.1 million) while the total equity increased to approximately SGD13.9 million (2020: approximately SGD8.3 million);
- (b) the Group's current assets decreased to approximately SGD6.6 million (2020: approximately SGD9.2 million) while the current liabilities decreased to approximately SGD1.7 million (2020: approximately SGD1.9 million);

- (c) the Group has bank and cash balances and short-term bank deposits of approximately SGD3.9 million (2020: SGD4.8 million);
- (d) there was a bank borrowing of approximately SGD0.8 million (2020: SGD0.8 million); and
- (e) the gearing ratio is calculated by dividing total debts with total equity as at the end of respective year and expressed as a percentage. As at 31 December 2021, the gearing ratio was not applicable to the Group (2020: Nil).

CAPITAL EXPENDITURE

Capital expenditure during the year ended 31 December 2021 was primarily attributable to expenditure on leasehold improvements and office equipment, totalling SGD46,000 (2020: SGD66,000) to cope with our operation needs.

DIVIDEND

The Board has resolved not to declare any dividend for the year ended 31 December 2021 (2020: Nil).

SIGNIFICANT INVESTMENT

As at 31 December 2021, save as disclosed in the section headed “Future Plans For Material Investments And Capital Assets” in this report, the Group did not hold any other significant investment (2020: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

On 31 May 2021 and 30 June 2021, the Company entered into respectively a conditional acquisition agreement and a supplemental agreement with Mr. Lau Yu Fung (the “**Seller**”), pursuant to which the Company has conditionally agreed to acquire the Sale Shares, representing 40% of the issued share capital of Eidea Professional Services Company Limited (the “**Target Company**”) and the Company conditionally agreed to allot and issue of 120,000,000 New Shares by the Company to the Seller under the General Mandate at the issue price of HK\$0.18 per New Share upon Completion.

The completion of the acquisition took place on 13 July 2021. An aggregate of 120,000,000 new ordinary shares of the Company of par value of HK\$0.01 each (the “**New Shares**”), representing approximately 20.0% of the total number of ordinary shares in issue as enlarged by the allotment and issue of the Subscription Shares, were allotted and issued to the Seller at the Subscription price of HK\$0.18 per New Share. The gross proceeds from the allotment and issuance of New Share amounted to HK\$21,600,000.

INDEBTEDNESS AND CHARGES ON GROUP ASSETS

The Group had charges on the investment property of carrying amount as at 31 December 2021 of SGD1,343,000 (31 December 2020: SGD1,369,000) for a mortgage loan facility.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Save as disclosed in the Prospectus and in this annual results announcement, the Group did not have any material acquisitions, disposals of subsidiaries, associated companies and joint ventures during the year ended 31 December 2021.

FOREIGN EXCHANGE RISK MANAGEMENT

The majority of the Group's transactions, assets and liabilities are denominated in Singapore dollars and Vietnam Dong. The Group is exposed to exchange risk with respect mainly to Vietnam Dong which may affect its performance.

The Group currently does not have a foreign currency hedging policy as the foreign currency risk is considered to be insignificant. However, the management will continue to closely monitor the Group's foreign exchange risk exposure and will consider hedging significant foreign exchange exposure when necessary.

PRINCIPAL RISKS AND UNCERTAINTIES

All the risks relating to the Group's business have been set out in the Prospectus under the section headed "Risk Factors".

CONTINGENT LIABILITIES

As at 31 December 2021, save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, the Group did not have any material contingent liabilities (2020: Nil) nor any material capital commitments (2020: Nil).

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to maintaining and achieving high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 to the GEM Listing Rules.

The Board is of the view that throughout the period from the Listing Date to 31 December 2021, except Provision C.2.1 of the CG Code as disclosed below, the Company has complied with all the code provisions as set out in the CG Code.

Code Provision C.2.1

Provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Wong Seng is the chairman of the Board and the Chief Executive Officer. In view that Mr. Wong Seng has been operating and managing the Group since its foundation, the Board believes that it is in the best interest of the Group to have Mr. Wong take up both roles for effective management and business development. The Board believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by the current Board which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive Directors. Therefore, the Board considers that the deviation from provision C.2.1 of the CG Code is appropriate in such circumstance.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the year ended 31 December 2021

EVENT AFTER THE REPORTING PERIOD

No significant events have taken place subsequent to 31 December 2021 and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee (the "Audit Committee") of the Company has reviewed together with the management the accounting principles and policies and the auditing, internal controls and financial reporting matters of the Group, which includes that review of the unaudited consolidated financial statements of the Group for the year ended 31 December 2021. The Audit Committee is of the opinion that the financial statements complied with the applicable accounting standards and requirements, and that adequate disclosures have been made. For the year ended 31 December 2021, the Audit Committee considered the Group's risk management and internal control system as adequate and effective.

REVIEW OF UNAUDITED ANNUAL RESULTS

The auditing process for the annual results for the year ended 31 December 2021 has not been completed as at the date of this announcement due to the outbreak of COVID-19. The unaudited consolidated results of the Group for the year ended 31 December 2021 contained herein have been reviewed by the Audit Committee but have not been agreed by the Company's auditor. An announcement relating to the Company's audited results for the year ended 31 December 2021 will be published when the auditing process has been completed in accordance with the Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants.

FURTHER ANNOUNCEMENT(S)

The delay in publication of the audited 2021 Annual Results constitutes non-compliance of Rule 18.49 of the GEM Listing Rules, and the delay in despatch the 2021 Annual Report will constitute non-compliance of Rule 18.48A of the GEM Listing Rules. Following the completion of the auditing process, the Company will issue further announcement(s) in relation to the audited results for the year ended 31 December 2021 and the material differences (if any) as compared with the unaudited consolidated financial information contained in this announcement. In addition, the Company will issue further announcement(s) as and when necessary if there are any other material developments in the completion of the auditing process once it can be ascertained.

The Board Meeting for the purpose of, among others, considering and approving the publication of the 2021 Annual Results and the 2021 Annual Report will be postponed to a date to be fixed by the Board. As Company is still working closely and actively in communicating with the Auditors to assist them to complete the audit of the consolidated financial information of the Group, the Company will use its best endeavours to publish the 2021 Annual Results and 2021 Annual Report no later than 30 April 2022.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
WMCH Global Investment Limited
Wong Seng
Chairman and Executive Director

Hong Kong, 31 March 2022

As at the date of this announcement, the executive Directors of the Company are Mr. Wong Seng, Ms. Leow Geok Mui, Mr. Lim Chin Keong, Mr. Heng Kim Huat and the independent non-executive Directors of the Company are Dr. Tan Teng Hooi, Mr. Leong Jay and Mr. Ng Shing Kin.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and will also be published on the Company’s website at www.tw-asia.com.