



Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: V2Y Corporation Ltd.

Stock code: V2Y

Meeting details:

Date: 28 Jun 2024

Time: 2.00 p.m.

Venue: 137 Cecil Street, Cecil Building, #04-01, Singapore 069537

Q1. In the group's core Insurtech business segment, revenue decreased by 29.3% to just \$215,000 in FY2023, mainly due to declines in new projects and sales from customers while the cost of sales decreased by 39% to \$119,000.

Although the group has implemented cost-saving measures, administrative expenses remained relatively high at \$1.1 million. Loss for the year was \$(0.9) million (FY2022: \$(2.3) million).

As a listed company, the group has a workforce of five employees.

- (i) **Can management elaborate on the size of the addressable market of its Insurtech services? Is the current business model viable?**
- (ii) **What is the group's competitive advantage?**
- (iii) **What are some of the projects undertaken by the group?**
- (iv) **Does the group have sufficient working capital to support its growth initiatives?**
- (v) **What progress has been made in the group's overseas expansion, and does this expansion carry a high level of risk given that the group has been loss-making even in its home market of Singapore?**

It is observed that the total revenue for the year is insufficient or barely covers the remuneration of the chief executive officer and executive director, who received a remuneration of between \$200,001 and \$300,000 (page 65). The total compensation for directors and key management personnel was \$558,000, with directors' remuneration amounting to \$174,000 (or more than 80% of the group's total annual revenue).

- (vi) **Has the board evaluated the group's cost structure?**
- (vii) **Has the board reviewed the incentive structure to ensure that staff are motivated and appropriately incentivised to help the group grow profitably?**
- (viii) **Can management elaborate further on the top 3-5 operational priorities to achieve revenue growth and profitability for the group?**
- (ix) **Would the directors, including the CEO, consider receiving their fees and remuneration in the form of equity shares to align their interests more closely with those of the shareholders? Doing so would also improve the cash flow of the group.**

Q2. In the CEO's message (page 8), it was disclosed that the group will step up efforts to explore "new business segments". Further in Note 3 (Going concern; page 100), it was stated that management is actively pursuing new business opportunities and corporate actions.

Nevertheless, it is observed the accumulated losses for the group amount to \$(3.9) million as at 31 December 2023.

- (i) **Has the board approved the search for new business ventures? If so, what is the criteria used by management in its search for new businesses?**
- (ii) **How does the company plan to fund any acquisitions given its current financial position?**
- (iii) **How is the search for new business ventures being conducted? Has the board provided guidance to ensure that the search is carried out professionally, such as by engaging qualified and experienced investment banks rather than relying on personal networks?**
- (iv) **Does management possess the requisite expertise and a proven track record in mergers and acquisitions?**

Q3. As at the end of the financial year, the group had cash and cash equivalents of \$664,000. The company's independent auditors had included a material uncertainty related to going concern section in the independent auditors' report on the audited financial statements of the group and the company for the financial year ended 31 December 2023.

It was also noted that the group incurred a net loss of \$(921,000), experienced cash outflows from operating activities amounting to \$(823,000) and is in a capital deficiency position of \$(137,000).

- (i) **Has the group's relatively weak financial position hindered management's ability to secure new business in its Insurtech segment?**
- (ii) **What is the current cash burn rate of the group?**
- (iii) **Has the board evaluated fundraising options? If so, how does the board ensure that existing shareholders are not unduly diluted?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on [SIAS website](#)

Join our mailing list [here](#) to receive latest news and upcoming events.

CONNECT WITH US

