A SPARKLING Journey

ANNUAL REPORT 2016

TLV

TLV HOLDINGS LIMITED

Contents

TLV Holdings Limited (the "Company") was listed on Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 17 September 2015. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this annual report.

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

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

CORPORATE PROFILE

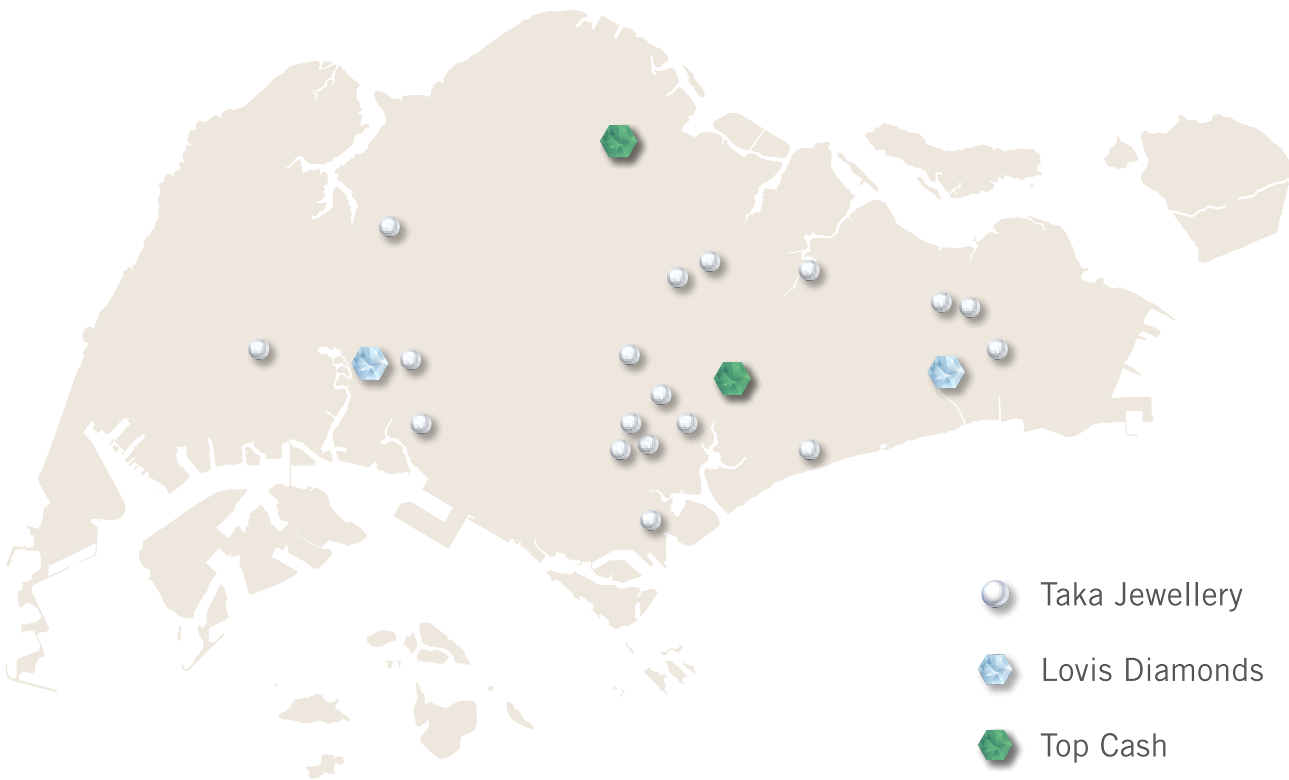
Founded in 1997, the Group has grown from primarily selling jewellery on a wholesale basis, to an established jeweller that designs, manufactures and sells jewellery in both the local and international markets on a wholesale and retail basis.

In Singapore, the Group has a retail network of more than 20 outlets strategically located at various heartland districts, central and suburban malls. Its brands include *Taka Jewellery*, which sells quality jewellery at competitive prices, and *Lovis Diamonds*, which sells customised diamonds and fine jewellery.

Since venturing overseas through active participation in international jewellery exhibitions in 2003 to distribute jewellery on a wholesale basis, its jewelleries are now sold to customers in the United States, Europe, Middle East, East Asia and Southeast Asia. The Group has participated in more than 20 international exhibitions in financial year ended 31 March 2016 (“FY2016”).

Leveraging on its proven track record in the jewellery business, the Group also ventured into the pawnbroking business and the trading and retail of second hand jewellery and watches since 2013, with two outlets under the *Top Cash* brand.

The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 17 September 2015.



BUSSINESS *Overview*

JEWELLERY

The Group is principally engaged in the design, manufacture and sale of jewellery on a retail basis in Singapore under the brands – *Taka Jewellery* and *Lovis Diamonds*, as well as on a wholesale basis to the global markets through active participation in international jewellery exhibitions.

Taka Jewellery

Taka Jewellery is an established brand that provides quality jewellery at competitive prices. With a wide range of quality jewellery made from different raw materials and incorporating an extensive selection of classic and contemporary designs, the brand caters to the mass market from homemakers to young working executives.

Taka Jewellery has 18 retail outlets located at various heartland districts and suburban malls throughout Singapore.

Lovis Diamonds

Lovis Diamonds was established in 2012 to create lasting memories for our customers. The brand is created with its forte in diamonds and fine jewellery, creating stylish and high quality customised diamonds and adornments at competitive prices. *Lovis Diamonds* has two retail outlets located at Bedok Mall and Westgate.

Exhibitions

Since 2003, the Group has actively participated in global jewellery exhibitions around the world, selling jewellery on a wholesale basis to customers from the United States, Europe, Middle East, East Asia and Southeast Asia. We participate in exhibitions under our brands *Taka Jewellery*, as well as *Voi Jewellery* which was launched in 2007 to engage in the marketing and sale of a contemporary line of jewellery, targeting different consumer market.

In FY2016, the Group participated in more than 20 international exhibitions, notably the HKTDC Hong Kong International Jewellery Show, Baselworld in Switzerland and Dubai International Jewellery Week.

PAWNBROKING

The Group ventured into the pawnbroking business and the trading and retail of pre-owned jewellery and watches under the *Top Cash* brand in 2013. Our pawnshops typically accept gold, platinum and silver bars and coins, value articles (such as precious stones, branded jewellery and watches) as collaterals for the loans we extend to our customers.

The Group has two pawnshops in Singapore, located in Yishun and Serangoon.

Milestones

1997
Established Taka Singapore as a jewellery wholesaler and manufacturer of gold jewellery casings

2001
Became sole supplier of jewellery to Taka Gold, which had an established network of retail outlets under the *Taka Jewellery* brand

2006
Taka Gold supplied diamond brooches and white gold tie pins to dignitaries from the 61st annual meeting of the board of governors of the International Monetary Fund and the World Bank Group

2007
Incorporated *Voi Jewellery* to engage in the marketing and sale of a contemporary and varied line of jewellery to target different consumer market at international jewellery exhibitions

2012
Incorporated *Lovis Diamonds* to offer customised diamonds and fine jewellery under the *Lovis Diamonds* brand

Invested in Globe Diamonds to venture upstream into the diamond trading business

2013
Ventured into the pawnbroking business and trading and retail of pre-owned jewellery and watches under the *Top Cash* brand

2014
Commenced operations at two pawnshops in Yishun and Serangoon

Acquired Taka Gold's retail and exhibition business

2015
Listed on SGX-ST Catalist on 17 September

DEAR SHAREHOLDERS

The Year in Review

This financial year marked a new chapter for TLV Holdings Limited ("TLV Holdings" or the "Company", and together with its subsidiaries and associated company, the "Group") as the Company successfully listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 17 September 2015. On behalf of the Board of Directors, we would like to take this opportunity to welcome you as our shareholder and thank you for your support during our initial public offering ("IPO"). We now look forward to the Group embarking on its next phase of growth, and it is our pleasure to present you TLV Holdings' inaugural Annual Report for the financial year ended 31 March 2016 ("FY2016").

The slowing global economic growth, coupled with weakening commodity prices, have affected consumers' spending and overall demand for luxury goods. In Singapore, this softening demand has been hurting the wholesale and retail trade sectors. Domestic economic growth in the first quarter of 2016 was merely 1.8% higher than the corresponding period last year and the full year growth forecast has been pared down for the fifth time to 1.8% in 2016 alone.[1]

Against this backdrop, the Group registered a year-on-year decline in both its topline and bottomline in FY2016. However, the Group remains confident in our long-term prospects and has been gradually rolling out some of our future plans committed at IPO, which include expanding and strengthening our range of jewellery and casings to cater to a wider breadth of global customers as well as to keep up with changing market trends and consumer preferences. TLV Holdings has also further entrenched our market position in Singapore by opening two new *Taka Jewellery* outlets in the last quarter of 2015.

The Group will continue to identify opportunities with regards to outlets expansion in Singapore and further penetrate existing and new markets via our participation in international exhibitions. At the same time, the Group takes a prudent approach to risks and escalating costs, in order to stay nimble and competitive.

Prospects

With almost 20 years of industry experience, TLV Holdings has gone through the peaks and troughs of the jewellery industry. The Group is one of few jewellers in Singapore operating with a wholesale business, supplying to a wide geographical market and concurrently recognised for offering value-for-money jewelleries. While the Group expects the jewellery industry to remain challenging for the rest of 2016, TLV Holdings is in a strong position to ride out the volatile market conditions with our sound business model, healthy balance sheet and an experienced management team at helm.

In the longer term, with growing affluence amongst the middle class population in the regional markets, we believe the Group is well-positioned to take advantage of opportunities when demand improves.

Appreciation

I would like to thank my fellow Board members for their invaluable contributions, and to thank the management and staff of TLV Holdings for their commitment and drive in growing the Group. To our new shareholders, we look forward to your continuous support.

GOH YEOW TIN
Non-Executive Chairman and Independent Director

MANAGING DIRECTOR'S *Message*

DEAR SHAREHOLDERS

The Group was founded in 1997 with the vision of making jewellery affordable for all. We believe this has differentiated the Group in the marketplace by offering the best value for consumers' money. Today, our home-grown *Taka Jewellery* brand is well-known locally and internationally for its competitively priced mass-market jewelleries.

Another business philosophy we have embraced is being flexible and innovative, which led to the subsequent launches of our *Lovis Diamonds* and *Voi Jewellery* brands which cater to wider market segments and offer more sophisticated and contemporary lines of jewellery. The Group has also been able to stay competitive by recognising shifts in the latest trends and regularly updating our lines of jewellery to keep pace with the ever-changing consumer preferences in each individual market.

Through prudent management and hard work, we have grown the Group to what it is today; offering a wide range of jewellery at the best value, 22 local outlet locations, supplying jewellery on a wholesale basis to over 50 countries and expanding into the pawnbroking business.

Having achieved several milestones over the years, we are proud to score another milestone in FY2016 with the successful listing of the Company on the Catalist Board of the SGX-ST. I would like to take this opportunity to welcome all our shareholders onboard, and assure you that with the Group's strong fundamentals and core values, we endeavour to deliver long-term value to all our shareholders.

Staying Focused

In FY2016, with slower global economic growth and weakening consumers' sentiments and spending, sales for both our retail and pawnbroking and our exhibition business segments have been impacted. As such, the Group has taken a cautious approach in expanding our retail outlets. The Group opened two new *Taka Jewellery* outlets, namely at Lucky Plaza in September and at Jurong Point in November during the financial year, bringing the total number of *Taka Jewellery* outlets to 18 to date. These, along with two *Lovis Diamonds* outlets, two *Top Cash* outlets and our HQ, where we sell jewellery to other resellers, bring our expanded footprint in Singapore to 23 unique locations. The Group has also continued to participate in prominent international jewellery exhibitions, having taken part in over 20 exhibitions during the financial year.

Since our IPO, the Group has also been actively seeking investments to enhance the range and diversity of our jewellery lines as well as focusing our efforts on building brand recognition. This will allow the Group to increase sales opportunities by catering to wider geographical regions and consumer segments in both the domestic retail market as well as at international exhibitions.

Financial Performance

Against the backdrop of a weakening consumer market and operational cost headwinds, our revenue in FY2016 declined by 17% from S$154.0 million to S$127.8 million year-on-year. During the financial year, our share of profit of associated company also decreased by approximately S$1.0 million due to a lower share of profits generated by our associated company, Global Diamonds Singapore Pte. Ltd.. These factors impacted the Group's bottomline as our net profit stood at S$7.2 million[1], a 32% decline year-on-year.

Segmentally, sales from our retail and pawnbroking business registered a 4% dip from S$76.4 million to S$73.3 million year-on-year. Revenue contribution from our exhibition business declined 30% from S$77.6 million to S$54.5 million year-on-year as a result of a slowdown in our jewellery sales at international jewellery exhibitions due to overall weakening consumer sentiments.

Our balance sheet remained robust with S$12.7 million in cash and bank balances and we maintained a healthy current ratio of 2.4 times. While we remain mindful of the current challenging macroeconomic conditions, a robust balance sheet gives us the confidence and flexibility to tap on any potential opportunities or upswings that might present themselves to the Group in the near future.

During our IPO, we expressed the intention to reward our shareholders by paying out at least 35% of our profits attributable to shareholders, subject to the level of FY2016 profits and our Group's cash requirements. We are pleased to be able to fulfill this target and have proposed a final one-tier tax exempt cash dividend of 0.388 Singapore cents for FY2016, representing a payout of approximately 40% of our profits attributable to shareholders.

Outlook

In the short term, slowing market demand and increasing operational costs pose certain challenges to the local retail scene and we have to adopt a prudent stance. This, coupled with uncertainty in global economic conditions together with a relatively robust Singapore Dollar, have further weighed down on consumer sentiments locally and globally.[2]

Nevertheless, there remain pockets of bright spots with overall visitor arrivals increasing by 13.4% in the first three months of 2016, reversing recent downward drifts. Encouragingly, Asian tourists led the increase by posting a 15.7% improvement in arrival numbers.[3]

Driven by a strong population and GDP growth in the ASEAN region, the middle income population is expected to grow in the mid to long-term. With Singapore playing a major role as a centralised economic hub in the region, there is potential for more tourist demand for consumer goods domestically as visitors from regional countries grow in affluence.[4] As our retail outlets sell to both the domestic and tourist markets, the Group is well-positioned to tap on these opportunities.

Going forward, the key will be to build up the Group's brand equity, offer a diverse range of good quality and value-for-money products to lift our topline numbers and look for opportunities to penetrate into new and existing market segments.

Appreciation

I would like to take this opportunity to thank our Board of Directors for their guidance, our business partners, customers, suppliers and employees for their unyielding support and contributions.

To our new shareholders, thank you once again for your faith and confidence in TLV Holdings. We will continue to work hard to grow the company and maximise shareholders' value for many years to come. We look forward to continue this rewarding journey with you.

TEO BOON LENG
Managing Director

[1] Figure quoted excludes IPO expenses

[2] The Straits Times - Singapore economy to grow at 1.8% this year and 2.5% in 2017: IMF, 10 May 2016

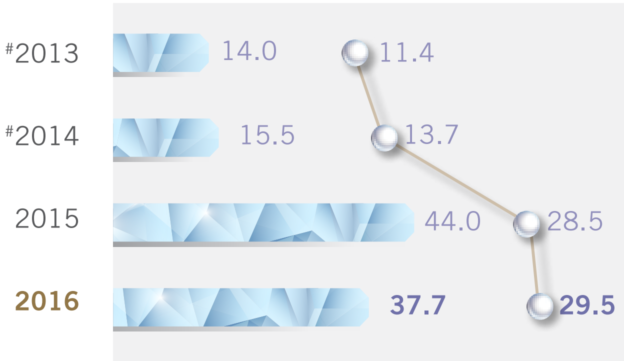
[3] Singapore Tourism Board, https://www.stb.gov.sg/statistics-and-market-insights/marketstatistics/ivastat_dec_2015%20(as@29feb16).pdf

[4] Nielsen: Asean 2015 seeing around the corner in a new Asian landscape, http://www.nielsen.com/content/dam/nielsenglobal/apac/docs/reports/2014/Nielsen-ASEAN2015.pdf

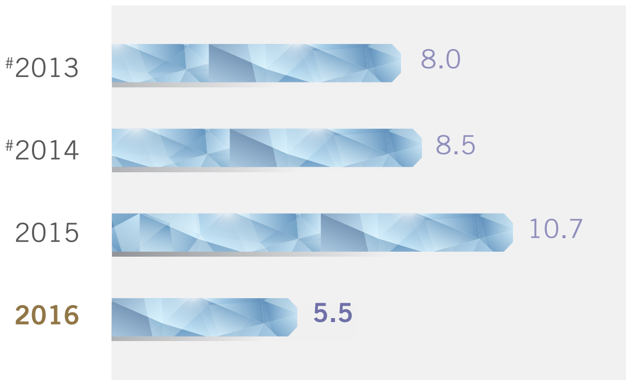
FINANCIAL *Highlights*

REVENUE (S$'million)

GROSS PROFIT (S$'million)
GROSS PROFIT MARGIN (%)



NET PROFIT (S$'million)



#Financial results prior to the acquisition of Taka Gold's retail & exhibition bussines

FINANCIAL PERFORMANCE

INCOME STATEMENT	GROUP	
	FY2016 S$'000	FY2015 S$'000
Revenue	127,823	153,984
Cost of sales	(90,079)	(110,031)
Gross profit	37,744	43,953
Other operating income	331	322
Distribution costs	(23,660)	(23,980)
Administrative expenses	(5,224)	(5,802)
Other operating expenses	(2,477)	(2,552)
Share of profit of associated company	100	1,143
Finance cost	(645)	(405)
Profit before tax	6,169	12,679
Income tax expense	(698)	(2,016)
Profit after tax	5,471	10,663

Revenue

The Group recorded revenue of S$127.8 million in FY2016, a decrease of S$26.2 million, or 17%, from the previous corresponding 12 months ("FY2015"). The decrease in topline was mainly a reflection of weakening consumer demand for jewellery products in both business segments as detailed below.

Accounting for 57% of the Group's total revenue in FY2016, contribution from Retail and Pawnbroking domestic business, registered a marginal 4% year-on-year dip to S$73.3 million, while the Group's Exhibition business largely derived internationally, posted a 30% year-on-year decline to S$54.5 million.

Gross Profit

In line with lower revenues, cost of sales decreased correspondingly by S$20.0 million, or 18% to S$90.1 million while gross profit decreased by approximately S$6.2 million or 14% year-on-year to S$37.7 million. Notwithstanding that, the Group achieved a higher gross profit margin of 29.5%, an improvement from 28.5% in FY2015, as a result of tighter cost controls.

OPERATIONS AND *Financial Review*

Expenses

Distribution costs decreased by S$0.3 million, or 1% to S$23.7 million in FY2016 due to lower freight charges which was in line with lower sales and lower advertising and promotion expenses during the financial year. Administrative expenses decreased by S$0.6 million or 10% to S$5.2 million, which was mainly due to lower bank charges, professional fees and depreciation. Depreciation expense decreased by S$0.2 million mainly due to certain fixed assets being fully depreciated during the financial year. Other operating expenses decreased by S$0.08 million or 3% to S$2.5 million, mainly due to S$1.7 million of IPO expenses partially offset by lower foreign exchange loss. On the other hand, finance costs increased by S$0.2 million or 59% to S$0.6 million, largely attributable to higher bank borrowings with higher interest rates.

Other Operating Income and Share of Profit of Associated Company

Other operating income for the Group increased by 3% to S$0.3 million in FY2016 mainly due to higher government grants, while share of profit of associated company decreased by S$1.0 million to S$0.1 million, mainly due to a lower share of profits from Globe Diamonds Singapore Pte. Ltd..

Profit After Tax

The Group recorded profit after tax of S$5.5 million in FY2016, a decrease of S$5.2 million year-on-year. Excluding the IPO expenses of S$1.7 million, the Group's profit after tax would have been S$7.2 million.

BALANCE SHEET

As at 31 March 2016, the Group had a healthy balance sheet with net assets of S$102.1 million, an increase of S$20.0 million from S$82.1 million as at 31 March 2015.

Total non-current assets grew S$0.6 million or 5% to S$13.7 million as at 31 March 2016, mainly due to the addition of fixed assets during the financial year.

Total current assets decreased by S$0.9 million or 1% to S$155.8 million as at 31 March 2016. This was mainly attributable to a decrease in inventories and trade and other receivables, which was partially offset by an increase in cash and bank balances. The decrease in inventories was mainly due to inventory control and lower purchases resulting from lower sales during the financial year while the decrease in trade and other receivables was mainly due to lower sales during the financial year.

Due to an increase in bank borrowings arising from new term loans drawdown during the financial year, total non-current liabilities rose by approximately S$0.5 million or 16% to S$3.8 million as at 31 March 2016.

On the other hand, total current liabilities declined by S$20.8 million or 25% to S$63.6 million as at 31 March 2016 due to a decrease in trade and other payables, bank borrowings, dividend payable and income tax payable. The decrease in income tax payable was due to lower income tax accrued arising from a lower profit and higher income tax paid during FY2016. The decrease in bank borrowings was mainly due to repayment of short term bank borrowings in the fourth quarter of FY2016. Trade payables decreased as a result of lower purchases made during the financial year.

CASH FLOW

STATEMENT OF CASH FLOWS	GROUP	
	FY2016 S$'000	FY2015 S$'000
Net cash generated from operating activities	2,791	1,724
Net cash used in investing activities	(681)	(1,014)
Net cash generated from financing activities	4,494	1,991
Cash and cash equivalents at end of financial year	12,709	6,226

In FY2016, net cash generated from operating activities was S$2.8 million, an increase of S$1.1 million or 61.9% year-on-year. While the decrease in operating cash flows before movements in working capital was largely attributable to lower profit before tax in FY2016 and a net working capital outflow of S$3.4 million. The net working capital outflow was mainly due to (i) decrease in trade and other payables of S$5.7 million, (ii) decrease in bills payable of S$0.6 million, (iii) increase on trade and other receivables and prepayment of S$0.2 million, and (iv) decrease in inventories of S$3.1 million.

Net cash outflow from investing activities amounted to S$0.7 million, mainly attributable to payment for purchase of fixed assets.

Net cash derived from financing activities amounted to S$4.5 million, mainly due to net proceeds from the issue of shares of S$12.9 million, net repayment of bank borrowings of S$3.4 million and payment of dividends of $5.0 million.

As a result, cash and cash equivalents as at 31 March 2016 rose S$6.5 million or 104% to S$12.7 million.

BOARD OF *Directors*

GOH YEOW TIN
Non-Executive Chairman and Independent Director
Appointed on 21 August 2015

Mr Goh Yeow Tin, Non-Executive Chairman and Independent Director of TLV Holdings, was appointed to the Board on 21 August 2015.

Mr Goh began his career with the Economic Development Board ("EDB") where he headed the Local Industries Unit and was subsequently appointed as a director of EDB's Automation Applications Centre from 1984 to 1986. In 1988, Mr Goh joined Tonhow Industries Limited (now known as Asiamedic Limited), the first plastic injection moulding company to be listed on SESDAQ (now known as Catalist), and served as the deputy managing director until 1990. In 1986, Mr Goh founded, and served as general manager of International Franchise Pte Ltd, a pioneer in the franchising business in Singapore, until 1988. Between 1990 and 2000, Mr Goh served as the vice-president of Times Publishing Ltd, and was responsible for retail and distribution businesses in Singapore, Hong Kong and various parts of Southeast Asia.

Mr Goh is a member of the Singapore Institute of Directors and is an Independent Director of Sheng Siong Group Ltd, Vicom Limited, AsiaPhos Limited and Lereno Bio-Chem Ltd.

In recognition of his many years of social and community services, Mr Goh was awarded the Public Service Star (Bar) in 2015 and appointed a Justice of the Peace in September 2015 by the President of the Republic of Singapore.

Mr Goh holds a Bachelor's degree in Engineering (Hons) (Mechanical) from the University of Singapore (now known as the National University of Singapore) and a Masters' degree in Industrial Engineering and Management from the Asian Institute of Technology.

TEO BOON LENG
Managing Director
Appointed on 22 June 2015

Mr Teo Boon Leng, Managing Director and co-founder of TLV Holdings since 1997, was appointed to the Board on 22 June 2015. Together with the Group's Executive Director, Mr Ang Kah Leong, he sets the overall strategic and expansion plans of the Group.

Mr Teo oversees the business development, procurement and the overseas operations of the Group and is instrumental in maintaining working relationships with suppliers and customers. He has also spearheaded the Group's growth, leading the expansion of its retail and wholesale businesses and operations.

Mr Teo has more than 35 years of experience in the jewellery industry and began his career as an apprentice, learning the skills of jewellery craftsmanship at a jewellery design and manufacturing company, and subsequently established a company to manufacture jewellery. From 1984 to 1986, he served as director at a jewellery company which was in the business of retail of jewellery and also provided customisation and alteration services for jewellery.

ANG KAH LEONG
Executive Director
Appointed on
22 June 2015

Mr Ang Kah Leong, Executive Director and co-founder of TLV Holdings since 1997, was appointed to the Board on 22 June 2015. Together with the Group's Managing Director, Mr Teo Boon Leng, he sets the overall strategic and expansion plans of the Group.

Mr Ang oversees the day-to-day operations, business development and management of the Group's business in Singapore. He is also instrumental to the Group's growth, leading the expansion of its retail and wholesale businesses and operations.

Mr Ang has over 30 years of experience in the jewellery industry, having started out as a freelance craftsman. Prior to establishing the Group in 1997, Mr Ang established a sole proprietorship which dealt in the wholesale business of jewellery.

LU KING SENG
Independent Director
Appointed on
21 August 2015

Mr Lu King Seng, Independent Director of TLV Holdings, was appointed to the Board on 21 August 2015. He has more than 20 years of commercial and audit experience in London, Singapore and Malaysia with Deloitte & Touche, Arthur Andersen, PriceWaterhouse and KPMG where he oversaw the accounting, treasury, legal and finance matters including group restructurings and mergers and acquisitions, initial public offerings and due diligence reviews in connection with proposed merger and acquisitions.

He is currently the Managing Director of Orion Advisory Pte Ltd. He is also an independent director of another company listed on the SGX-ST. Mr Lu was the chief financial officer at SinCo Technologies Pte Ltd and SinCo Group Holdings Pte Ltd.

Mr Lu is a Fellow of the Association of Certified Chartered Accountants, as well as a non-practicing member of the Institute of Singapore Chartered Accountants. He is also a member of the Singapore Institute of Directors. Mr Lu graduated from Emile Woolf London and obtained a professional qualification from the Association of Certified Chartered Accountants in 1995.

CHUA KERN
Independent Director
Appointed on
21 August 2015

Mr Chua Kern, Independent Director of TLV Holdings, was appointed to the Board on 21 August 2015. Mr Chua has more than 16 years of experience in the legal industry, specialising in the areas of corporate finance, securities and capital markets and mergers and acquisitions. He is currently a director of Chancery Law Corporation, having co-founded the firm in 2005.

Mr Chua also advises companies listed on the Mainboard and Catalist of the SGX-ST in respect of their corporate finance activities and other major corporate actions. Mr Chua had worked in Messrs Colin Ng & Partners LLP, Messrs KhattarWong LLP and Messrs Peter Chua & Partners. He is currently also an independent director of GS Holdings Limited, a company listed on Catalist.

Mr Chua was admitted to the Supreme Court of Singapore as an Advocate and Solicitor in 1997. He obtained a Bachelor of Law (Honours) degree from the University of Bristol, United Kingdom, in 1995 and a Diploma in Singapore law from the National University of Singapore in 1996. He is a member of the Law Society of Singapore and the Singapore Academy of Law.

EXECUTIVE *Officers*

IRENE NG
General Manager (Exhibitions)

Ms Irene Ng joined the Group in 2001, and is currently the Group's General Manager (Exhibitions). Ms Ng is in charge of the Group's participation in exhibitions, and was instrumental in building up the Group's exhibitions business. She establishes and maintains relationships with international customers, assists in the procurement process, and spearheads the sales and marketing team for the Group's exhibitions business.

Ms Ng helped to build up the exhibitions business from its humble beginnings in 2003 to a well-regarded and sought-after exhibitor at many international jewellery exhibitions.

JULIA TAN
General Manager (Local)

Ms Julia Tan joined the Group in 2001 and is currently its General Manager (Local). Ms Tan assists the Managing Director and Executive Director in the Group's day-to-day operations, and oversees the human resource and logistics and warehousing, and sales and marketing functions of the Group in relation to its retail business. She is also responsible for devising marketing proposals and protocols, and organising sales events, promotions and campaigns for the retail business. She has been instrumental in building up the Group's jewellery business and in establishing the Group's pawnshop business.

Ms Tan graduated with a Bachelor of Commerce (major in Business Administration, Marketing and Human Resource) from the University of Tasmania, Australia.

CHAN CHAI HEE
Group Financial Controller

Ms Chan Chai Hee joined the Group in 2015 and is currently its Group Financial Controller. She is responsible for overseeing the financial and accounting management and reporting functions of the Group. Ms Chan has more than 20 years of experience in financial and accounting and worked at two other Singapore-listed companies prior to joining the Group.

Ms Chan graduated with a Bachelor of Economics (major in Accountancy) and is a Chartered Accountant of Singapore.

TLV Holdings recognises that as an accountable corporate citizen, we must act responsibly as we carry out our operational activities and ensure that our corporate social responsibility policies are effective and relevant for all our stakeholders in order to build a successful and sustainable business.

COMMITMENT TO SHAREHOLDERS

As a public-listed company, TLV Holdings is committed to engaging our shareholders and upholding sound corporate governance and transparency practices in accordance to principles of the Code of Corporate Governance 2012 (the "Code") and the disclosure guide developed by the Singapore Exchange Securities Trading Limited ("SGX-ST"). These include keeping shareholders, the investment community and the media informed of the Group's performance and latest corporate developments through timely and accurate announcements.

We provide public access to such information about TLV Holdings via SGXNET and our dedicated investor relations website (http://www.tlvholdings.com.sg). All our corporate announcements, press releases, presentation slides and annual reports are available on these channels. In addition, we can be contacted for enquiries through email (enquiry@tlvholdings.com.sg).

Our Annual General Meeting ("AGM") also provides another platform for our directors and key management team to meet with shareholders to answer their queries and understand their views and expectations of our business.

COMMITMENT TO EMPLOYEES

We recognise that the growth of our business relies on the dedication of each and every one of our employees. As such, we are committed to the career and personal development of each employee, as well as providing a fair and conducive working environment for our staff.

In our line of business as designer, retailer and exhibitor, personal presentation and product design, marketing and knowledge are key to sales. At TLV Holdings, we enable our sales staff to succeed by equipping them with the necessary skills and knowledge to achieve better sales through constant on-the-job coaching and other relevant training opportunities.

Staff Training

Every employee is given adequate on-the-job training, opportunities for skills upgrading and a framework for career advancement.

The following is a list of staff training made available to our staff in FY2016:

DATE	DETAIL OF EVENTS
Jan 2016	Sale of Products & Services at Singapore Institute of Retail Studies
Sep 2015	Anti-Money Laundering conducted by Acumen Bizcorp Pte. Ltd.
Jul - Aug 2015	Excellent Service Award Workshop for Silver Recipients at Singapore Retail Association

Employee Welfare

In return for the hard work put in by our employees, we do our best to improve their working environment and provide staff incentives that work towards motivating them to do better. As part of our continuous effort in showing our appreciation towards our employees, we implemented enhanced medical and dental benefits for employees in FY2016. We also introduced incentives to reward, on an annual basis, attendance as well as punctuality at work.

Working in the retail line requires long hours. In FY2016, we focused on improving the efficiency of operations at retail outlets in an effort to reduce the working hours for our front line employees, so as to create a working environment with greater work-life balance for our staff.

To continually foster relationships and ensure a collegiate working environment for our employees, we organised seven staff "bonding sessions" across all outlets in FY2016 which included our annual dinner and dance, a gala night to celebrate the success of our IPO and other festivity celebrations.

CORPORATE *Information*

REGISTERED OFFICE

3 Kaki Bukit Place
Eunos Techpark
Singapore 416181

COMPANY REGISTRATION NUMBER

201526542C

BOARD OF DIRECTORS

Goh Yeow Tin
Non-Executive Chairman and Independent Director

Teo Boon Leng
Managing Director

Ang Kah Leong
Executive Director

Lu King Seng
Independent Director

Chua Kern
Independent Director

NOMINATING COMMITTEE

Chua Kern, Chairman
Goh Yeow Tin
Lu King Seng

REMUNERATION COMMITTEE

Goh Yeow Tin, Chairman
Lu King Seng
Chua Kern

AUDIT COMMITTEE

Lu King Seng, Chairman
Goh Yeow Tin
Chua Kern

COMPANY SECRETARY

Wong Yoen Har, ACIS

SPONSOR

PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Income At Raffles
Singapore 049318

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

AUDITOR

Ernst & Young LLP
Level 18 North Tower
One Raffles Quay
Singapore 048583

Partner-in-charge: Ng Boon Heng
(Ernst & Young LLP was appointed as auditor of the Company on 21 August 2015)

PRINCIPAL BANKERS

DBS Bank Limited
12 Marina Boulevard, Level 3
Marina Bay Financial Centre Tower 3
Singapore 018982

The HongKong and Shanghai Banking Corporation Limited
21 Collyer Quay
#10-02
Singapore 049320

INVESTOR RELATIONS

August Consulting Pte Ltd
101 Thomson Road
#30-02 United Square
Singapore 307591

WEBSITE

www.tlvholdings.com.sg

Financial Contents

The Board of Directors (the "**Board**" or "**Directors**") of TLV Holdings Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") is committed to ensuring a high standard of corporate governance so as to strengthen corporate transparency and accountability, protect the interests of the shareholders of the Company (the "**Shareholders**"), promote investor confidence and maximise long-term shareholder value.

The Corporate Governance Report (the "**Report**") describes the Group's corporate governance structures and practices currently in place with specific reference made to the principles and guidelines of the Code of Corporate Governance 2012 (the "**Code**") and SGX-ST disclosure guide, where applicable, the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual, Section B: Rules of Catalist (the "**Catalist Rules**").

The Board is pleased to report on the Group's compliance with the Code and SGX-ST disclosure guide. Such compliance is regularly reviewed to ensure transparency and accountability. Where there are deviations from the Code, appropriate explanations have been provided.

A. BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and the Management remains accountable to the Board.

As at the date of this Report, the Board comprises the following five (5) members:

Directors	Board membership	Audit committee	Nominating committee	Remuneration committee
Goh Yeow Tin	Non-Executive Chairman and Independent Director	Member	Member	Chairman
Teo Boon Leng	Managing Director	–	–	–
Ang Kah Leong	Executive Director	–	–	–
Lu King Seng	Independent Director	Chairman	Member	Member
Chua Kern	Independent Director	Member	Chairman	Member

The principal function of the Board is to provide leadership to the Group and to protect and enhance long-term value for Shareholders and other stakeholders.

Besides carrying out its statutory responsibilities, the Board's role is to:

1.1 Approve the board policies, strategies (including sustainability issues) and financial objectives of the Company and monitor the performance of management;

1.2 Oversee the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;

1.3 Approve the nominations of directors and appointment of key personnel;

1.4 Approve major funding proposals, investment and divestment proposals; and

1.5 Assume responsibility for corporate governance.

The Board also makes decisions in material transactions such as major funding proposals, acquisitions and divestments, disposal of assets, corporate or financial restructuring, share issuances, dividends, annual budgets and financial plans of the Group, quarterly and annual financial reports, internal controls and risk management strategies and execution and other matters which require Board approval as specified under the Company's interested person transaction policy.

The Board exercises due diligence and independent judgement in dealing with the business affairs of the Group and is obliged to act in good faith and take objective decisions as fiduciaries and in the interests of the Group.

The Board conducts regular scheduled meetings. Ad-hoc meetings are convened when circumstances require. The Company's Constitution allows a board meeting to be conducted by way of telephone conference or by means of similar communication equipment whereby all persons participating in the meeting are able to hear each other. The Board and Board Committees may also make decisions through circulating resolutions.

Delegation of authority to Board committees
The Board is supported by the Audit Committee ("**AC**"), Remuneration Committee ("**RC**") and Nominating Committee ("**NC**").

The schedules for all of the Board and Board Committee meetings as well as the Annual General Meeting ("**AGM**") are planned in advance. The Board meets at least four times a year to review and approve, *inter alia*, the quarterly financial results of the Group. The Board also meets on an ad-hoc basis as warranted by circumstances to supervise, direct and control the Group's business and affairs. Apart from approvals obtained at Board meetings, important matters are also put to the Board for approval by way of circulating resolutions in writing.

Meetings of board and board committees
As the Company was listed on the Catalist of the SGX-ST on 17 September 2015, the AC and Board held 2 meetings whilst the NC and RC held 1 meeting respectively. The attendance of each Director at meetings of the Board and Board Committees during the financial year ended 31 March 2016 ("**FY2016**") is disclosed as follows:-

	Board	**Audit Committee**	**Nominating Committee**	**Remuneration Committee**
Number of meetings held	2	2	1	1
Name of Director	**Number of Meetings Attended**			
Goh Yeow Tin	2	2	1	1
Teo Boon Leng	2	2*	1*	1*
Ang Kah Leong	2	2*	1*	1*
Lu King Seng	2	2	1	1
Chua Kern	2	2	1	1

* By invitation

Management keeps the Directors up-to-date on pertinent developments including the Group's business, financial reporting standards and industry-related matters. Such periodic updates provided to the Directors facilitate the discharge of their duties. The Directors are also encouraged to keep abreast of developments in legal, regulatory and accounting frameworks that are of relevance to the Group through the extension of opportunities for participation in training courses, seminars and workshops as relevant and/or applicable, with the cost of such training borne by the Company. At each Board meeting, the Managing Director (the "**MD**") updates the Board on the business and strategic developments of the Group.

The Company is responsible for arranging and funding regular training for the Company's Directors from time to time particularly on changes in and/or addition to the relevant laws, regulations and changing commercial risks to enable them to make well-informed decision and to ensure that the Directors are competent in carrying out their expected roles and responsibilities. During the financial year, the Board was briefed and/or updated on the changes under the Code and other regulations. Mr Teo Boon Leng, Mr Ang Kah Leong and Mr Chua Kern have also attended LCD Module 1 – Listed Company Director Essentials conducted by Singapore Institute of Directors.

The Company will conduct briefings and orientation programmes to familiarise newly appointed directors with the various businesses, operations and processes of the Group. Further, newly appointed Directors will be provided with a formal letter of appointment setting out their duties and obligations and appropriate training to ensure that they are fully aware of their responsibilities and obligations of being a Director.

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board currently comprises two (2) Executive Directors and three (3) Independent Directors. The Company fulfills the Code's requirement as more than half of the Board comprises Independent Directors.

The three Independent Directors currently represent more than 50% of the Board. The Board considers an Independent Director as one who has no relationship with the Company, its related companies or its officers, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement with a view to the best interests of the Company. The NC will review the independence of new Independent Director at the time of appointment. Each Independent Director is required to complete the Confirmation of Independence annually to confirm his independence based on the guidelines set out in the Code.

The Independent Directors have each confirmed that they do not have any relationship with the Company, its related corporations, its officers or its Shareholders with shareholdings of 10% or more in the voting shares of the Company that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Group. The NC will review, determine and confirm the independence of the Independent Directors.

There is no Independent Director who has served on the Board beyond nine years from the date of his first appointment. There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him or her not to be independent.

Composition and size of the board
The NC has reviewed and is satisfied that the current composition and size of the Board and Board Committees are appropriate for effective decision making, having taken into consideration the nature and scope of the Group's operations, the balance and diversity of, amongst other factors, skills and experience. The Board comprises Directors who are qualified and experienced in various fields including accounting and finance, legal, business and management experience and the requisite industry knowledge. The NC is of the view that the current Board comprises members who as a group possess core competencies necessary to lead and manage the Group effectively.

CHAIRMAN AND MANAGING DIRECTOR

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

The roles of the Chairman and MD are separate and distinct, each having their own areas of responsibilities and functions, thus ensuring an appropriate balance of power and authority, and allowing for increased accountability and greater capacity of the Board for independent decision making.

Mr Goh Yeow Tin is the Non-Executive Chairman and Independent Director and he sets up the Group's vision and objectives, provides guidance to the Group and leads the Board discussions and deliberations. Mr Teo Boon Leng is the MD of the Company and he supervises the day-to-day business operations of the Group with the support of Executive Director Mr Ang Kah Leong together with management, as well as formulating long-term strategies and policies of the Group.

In FY2016, the Independent Directors have not met without the presence of other directors and key management, but have had informal discussions to discuss matters and provide relevant feedback as the Company was listed on the Catalist Board on 17 September 2015.

BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The NC comprises three (3) members, all of whom, including the NC Chairman, are independent.

Chua Kern (Chairman)
Goh Yeow Tin
Lu King Seng

The date of appointment of each Director as well as their present and past directorships in other listed companies and principal commitments as at the date of this Report are set out below:-

Directors	Date of Appointment	Directorships in other listed companies		Other Principal commitment
		Current	Past three years	
Teo Boon Leng	22 June 2015	Nil	Nil	Nil
Ang Kah Leong	22 June 2015	Nil	Nil	Nil
Chua Kern	21 August 2015	GS Holdings Limited	Nil	Director of Chancery Law Corporation
Goh Yeow Tin	21 August 2015	Lereno Bio-Chem Ltd. Vicom Ltd Sheng Siong Group Ltd. AsiaPhos Limited	Singapore Post Limited*	Non-Executive Chairman of Seacare Medical Holdings Pte. Ltd. as well as Non-Executive Director of Linknet Pte Ltd, WaterTech Pte. Ltd., Seacare Manpower Services Pte Ltd and Edu Community Pte. Ltd.
Lu King Seng	21 August 2015	GEO Energy Resources Limited	Green Build Technology Limited#	Managing Director of Orion Advisory Pte. Ltd. and Orion Business Advisory Pte. Ltd.

* Resigned as Deputy Chairman and Executive Director on 24 June 2016
# Resigned as Independent Director on 1 April 2016

The NC met once in FY2016. The NC's principal functions under a set of written terms of reference which set out its responsibilities to:

4.1 Review, assess and make recommendations to the Board on the appointment including the composition of the Board;

4.2 Review regularly the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender and knowledge of the Company and the core competencies of the directors as a Group;

4.3 Assess the effectiveness of the Board as a whole and the contribution of each individual director to the effectiveness of the Board;

4.4 Make and review plans for succession, in particular for the Chairman of the Board and Group MD;

4.5 Determine on an annual basis the independence of directors;

4.6 Review and recommend to the Board comprehensive induction training programmes for the Board and new directors; and

4.7 Recommend directors who are retiring by rotation to be put forward for re-election.

There is a formal and transparent process for the appointment of new Directors to the Board. The NC reviews and recommends all new Board appointments and also the re-nomination and re-appointment of Directors to the Board. When a vacancy on the Board arises or when the Board is considering making a new Board appointment either to enhance the core competency of the Board or for purpose of progressive renewal of the Board, the NC will review and assess candidates before making recommendations to the Board. In recommending new appointments to the Board, the NC takes into consideration the balance and diversity of skills, calibre, experience, expertise, attributes, ability and gender, amongst other factors, required to support the Group's business activities or strategies, the current composition and size of the Board, and strives to ensure that the Board has an appropriate balance of Independent Directors.

After shortlisting the candidates, the NC shall consider and interview candidates on merit against objective criteria, taking into consideration whether the candidate can devote sufficient time and attention to the affairs of the Group.

The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. The Company's Constitution provides that one-third of the Board, or the number nearest to one-third is to retire by rotation at every annual general meeting ("**AGM**"). In addition, the Company's Constitution also provides that new Directors appointed during the year either to fill a vacancy or as an addition to the Board are required to submit themselves for re-election at the next AGM of the Company.

The NC, in considering the re-election of a director, evaluates such director's contribution and performance, such as his attendance at meeting of the Board and/or Board committees, participation, candour and any special contribution.

Each member of the NC abstains from voting on any resolutions and making any recommendation and/or participating in respect of matters in which he is interested.

The NC has recommended and the Board has agreed for the following Directors to retire and seek re-election at the forthcoming AGM pursuant to Article 114 of the Company's Constitution:

Mr Teo Boon Leng
Mr Lu King Seng

Mr Lu King Seng, being a member of the NC, has abstained from deliberation in respect of his own nomination. Mr Lu King Seng will, upon re-election as Director of the Company, remain as Chairman of the Audit Committee and member of the Nominating Committee and Remuneration Committee and the Board considers Mr Lu King Seng to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Mr Teo Boon Leng will, upon re-election as a Director, remain as the MD of the Company.

When a Director has multiple board representations, the NC will consider whether the Director is able to adequately carry out his duties, taking into consideration the Director's number of listed board representations, the Director's other principal commitments, the roles and scope of responsibilities of these principal commitments and involvement of any other activities outside of these principal commitments, among other factors. The NC has reviewed and is satisfied that each Director has been able to devote sufficient time and attention to the affairs of the Group to adequately discharge his duties as a Director of the Company, notwithstanding his respective board representations.

The Board has not determined the maximum number of listed company representations which any Director may hold as it is of the view that it is for each Director to assess his own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively. The Board does not wish to omit from consideration outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board.

As at the date of this Report, the Company does not have any alternate Director.

The NC has reviewed the independence of each director for FY2016 in accordance with the Code's definition of independence and is satisfied that more than half of the Board comprises Independent Directors. The NC is of the view that Mr Goh Yeow Tin, Mr Chua Kern and Mr Lu King Seng are independent.

The NC has confirmed that none of the Independent Directors are related and they do not have any relationship with the Company or its related corporations, its 10% Shareholders or its officers that could interfere or be reasonably perceived to interfere with the exercise of their independent business judgement with a view to the best interests of the Group.

Key information of each Director can be found on pages 12 and 13 of this Annual Report

BOARD PERFORMANCE

Principle 5: There should be a formal annual assessment of the effectiveness of the Board and its board committees as a whole and the contribution by each Director to the effectiveness of the Board.

The NC, in considering the re-appointment of any director, evaluates the performance of the director. The NC and the Chairman of the Board implemented a self-assessment process that required each director to assess the performance of the Board as a whole for FY2016. The self-assessment process took into consideration, *inter alia*, board structure, corporate strategy and planning, risk management and internal control, performance measurement and compensation, succession planning, financial reporting, conduct of meetings and communication with shareholders.

Although the Board's performance evaluation does not include a benchmark index of its industry peers, the Board assesses its effectiveness holistically through the completion of a questionnaire by each individual Director which includes questions covering the above-mentioned areas of assessment. The NC collates the results of these questionnaires and formally discusses the results collectively with other Board members to address any areas for improvement.

The NC has reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole for the financial year. It is of the view that the performance of the Board as a whole has been satisfactory. Although some of the Board members have multiple board representations, the NC is satisfied that sufficient time and attention have been given to the Group by the Directors concerned.

The Board has not engaged any external facilitator in conducting the assessment of the performance of the Board and Board Committees. Where relevant, the NC will consider such engagement.

ACCESS TO INFORMATION

Principle 6: In order to fulfill their responsibilities, directors should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

Management recognises the importance of ensuring the flow of complete, adequate and timely information to the Directors on an ongoing basis to enable them to make informed decisions to discharge their duties and responsibilities. To allow the Directors sufficient time to prepare for the meetings, all Board and Board Committee papers are distributed to the Directors in advance of the meetings. Updates on the Group's financial performance, position and prospects, amongst others, are also distributed to the Directors in advance of the Board and Board Committee meetings, as well as on an on-going basis, as practicable. Any additional material or information requested by the Directors is also promptly furnished. The Directors have separate and independent access to the Company Secretary, the EA, the IA and to other senior management of the Group at all times in carrying out their function.

The Company Secretary is represented at all meetings of the Board and Board Committees; attends and prepares agendas and minutes for all Board and Board Committee meetings.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

Changes to regulations are briefed at the Board and Board Committee meetings or on an on-going basis as and when the changes arise, especially where these changes have an important bearing on the Company's or the Directors' disclosure obligations.

Should the Directors, whether as a group or individually, require independent professional advice, the Board will appoint a professional advisor to render the advice. The cost of such professional advice will be borne by the Company.

B. REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC comprises three (3) members all of whom, including the RC Chairman, are independent.

Goh Yeow Tin (Chairman)
Lu King Seng
Chua Kern

The RC met once in FY2016. The RC functions under a set of written terms of reference which sets out its responsibilities as follows:

7.1 To recommend to the Board a framework for remuneration for the Directors and key management personnel of the Group. The framework covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, share-based incentives and awards, and benefits in kind;

7.2 To review and recommend Directors' fees for approval at the AGM;

7.3 To determine specific remuneration packages for each Executive Director as well as key management personnel so as to ensure that the packages are competitive and sufficient to attract, retain and motivate the Directors and key management personnel of the required quality to run the Group successfully;

7.4 To review the remuneration packages of employees related to Directors, MD and/or Substantial Shareholders, to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibility; and

7.5 To perform such other duties or functions as may be delegated by the Board or required by regulatory authorities.

Each member of the RC has abstained from voting on any resolution in respect of his own remuneration package and fee.

The RC will be provided with access to expert professional advice on remuneration matters, as and when necessary. The expenses of such services shall be borne by the Company.

LEVEL AND MIX OF REMUNERATION

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk-policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Directors' fees are payable to the Non-Executive Directors taking into account factors such as the effort and time spent and their scope of responsibilities. Directors' fees are recommended by the RC and the Board for approval by Shareholders at the AGM.

Executive Directors do not receive Directors' fees as each of the Company's MD and Executive Director has entered into a service agreement with the Company.

The remuneration of key management personnel are set in accordance with a remuneration framework comprising salary, variable bonus, shares and benefits-in-kind, after taking into consideration his or her individual performance and contribution towards the overall performance of the Company in FY2016.

All revisions to the remuneration packages for the Executive Directors (including in the Service Agreements) and key management personnel are subject to the review by and recommendation of the RC and the approval of the Board, which is in line with the Group's annual salary review exercise.

No Director is involved in deciding his own remuneration package. There are no termination or retirement benefits and post-employment benefits that are granted to the Directors and key management in FY2016. The Company does not intend to use contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

In addition, the Company has in place strong corporate governance practices described herein such as the processes put in place for the selection and appointment of new Directors as disclosed under Principle 4 above, the review process to assess the performance and effectiveness of the Board and Board Committees as a whole on an annual basis as disclosed under Principle 5 above and the Whistle-Blowing Policy as defined and disclosed under Principle 12 below, among others, as checks and balances to prevent the occurrence of such instances.

DISCLOSURE ON REMUNERATION

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

REMUNERATION OF DIRECTORS

Each Executive Director has a service agreement with the Company for a period of three years with effect from the date of the Company's listing on the Catalist Board of SGX-ST. For further information on the remuneration of the Executive Directors, please refer to the Service Agreement of the Company's Offer Document dated 8 September 2015 ("**Offer Document**"). To maintain confidentiality of the remuneration policies of the Company, and for competitive reasons, the remunerations of Directors and key management are disclosed in bands.

A breakdown showing the level and mix of each individual Director's remuneration in FY2016 (in percentage terms) is disclosed below:-

Directors' Remuneration

Name of Director	Remuneration Band	Directors fee %	Salary[1] %	Bonuses[1] %	Other Benefits %	Total %
Goh Yeow Tin	A	100%	–	–	–	100%
Teo Boon Leng	E	–	61%	19%	20%	100%
Ang Kah Leong	C	–	71%	17%	12%	100%
Lu King Seng	A	100%	–	–	–	100%
Chua Kern	A	100%	–	–	–	100%

Band A refers to remuneration of up to S$250,000 per annum

Band B refers to remuneration from S$250,001 to S$500,000 per annum

Band C refers to remuneration from S$500,001 to S$750,000 per annum

Band D refers to remuneration from S$750,001 to S$1,000,000 per annum

Band E refers to remuneration from S$1,000,001 to S$1,250,000 per annum

Note 1: Amount inclusive of contribution to employer provident funds

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The remuneration received by the top 4 key management personnel (who are not Directors or the CEO) in FY2016 is disclosed below:-

Top 4 Key Management Personnel (who are not directors or the MD)

Name of Executive	Remuneration Band
Irene Ng	B
Julia Tan	A
Chan Chai Hee	A
Kit Ng[1]	B

Band A refers to remuneration of up to S$250,000 per annum

Band B refers to remuneration from S$250,001 to S$500,000 per annum

Note 1 – Kit Ng was the previous Group Financial Controller who resigned on 18 November 2015

The Company has not disclosed the details of the remuneration of its top four key management personnel as the Board believes that full detailed disclosure of the remuneration of each key management personnel as recommended by the Code would be prejudicial to the Group's interest and hamper its ability to retain and nurture the Group's talent pool.

The annual aggregate amount of the total remuneration paid to top 4 Key Management Personnel (who are not directors or Chairman and MD) is approximately S$925,000.

There are two employees who are the immediate family members of a Director namely, Miss Macvis Teo, daughter of the Teo Boon Leng (MD), with an annual salary of between $100,000 to $150,000 and Miss Wennie Teo, niece of Teo Boon Leng (MD) with an annual salary of $50,000 to $100,000.

The Company does not have any employee share option scheme and performance share award in FY2016. No remuneration consultants were engaged by the Company in FY2016.

C. ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board approves quarterly financial statements and authorises the release of the results to the Shareholders. The Board also provides Shareholders with updates of new business developments, material contracts entered into and other material information via public announcements on SGXNET from time to time.

The Board recognises the importance of providing accurate and relevant information on a timely basis in compliance with statutory and regulatory requirements. Hence, the Directors receive quarterly financial and other reports from the management, in order for the Board to make a balanced and informed assessment of the Group's financial performance, position and prospects, as well as, management's achievements of the goals and objectives determined by the Board.

In accordance with the Catalist Rules, the Board issued negative assurance statements in the quarterly financial results announcements, confirming to the best of its knowledge that nothing had come to the attention of the Board which might render the financial statements false or misleading in any material aspect.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board notes that the Group's system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. Nonetheless, the Board acknowledges that it is responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control systems including financial, operational, compliance and information technology ("**IT**") controls. The Board also recognizes its responsibilities in ensuring a sound system of internal controls to safeguard Shareholders' interests and the Group's assets. The Board will look into the need for establishment of a separate Board risk committee at the relevant time.

The management is responsible to the Board for the design, implementation and monitoring of the Group's risk management and internal control systems and to provide the Board with a basis to determine the Group's level of risk exposure, risk tolerance and risk policies.

The AC will ensure that a review of the effectiveness of the Group's material internal controls, including, financial, operational, compliance, IT controls and risk management, is conducted annually. In this respect, the AC will review the audit plans and the findings of the EA and the IA, and will ensure that management follows up on the EA and IA's recommendations raised, if any, during the audit process.

Based on the internal control policies and procedures established and maintained by the Group, work performed by the EA and the IA (in connection with the IPO) and reviews performed by the Board, the AC and the management, the Board, with the concurrence of the AC, is of the view that the internal control systems of the Group addressing financial, operational, compliance and IT risks are adequate as at the date of this Annual Report.

The Board and the AC have also received assurances from the MD and the Group Financial Controller ("**GFC**") that the Group's internal control systems are adequate and effective in addressing the material risks of the Group in its current business environment including financial, operational, compliance and IT risks and has also relied on the independent auditor's report as set out in this Annual Report as assurance that the financial records have been properly maintained and the financial statements for FY2016 give a true and fair view of the Group's business operations and finances.

AUDIT COMMITTEE

Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The AC comprises three (3) members all of whom, including the AC Chairman, are independent.

Lu King Seng (Chairman)
Goh Yeow Tin
Chua Kern

The AC meets at least on a quarterly basis and met two times during FY2016 since the Company was listed on the Catalist of the SGX-ST on 17 September 2015. The AC is guided by its terms of reference which stipulate that its principal functions include:

12.1 Recommend to the Board of Directors, the appointment and re-appointment of EA and IA, the level of their remuneration;

12.2 Review all non-audit services provided by the EA so as to ensure that any provision of such services would not affect the independence of the EA;

12.3 Review (with the other committees, management, and the EA and IA) significant risks or exposures that exist and assess the steps management has taken to minimise such risk to the Company;

12.4 Review interested person transactions;

12.5 Review:-

- The EA's audit of the annual financial statements and reports;
- The adequacy of the Group's system of accounting controls;
- The level of assistance and cooperation given by management to EA;
- Any significant findings and recommendations of the EA and IA and the related management's responses thereto; and
- Any significant changes required in the EA's audit plan, any serious difficulties or disputes with management encountered during the course of the audit and their resolution, and other matters related to the conduct of the audit.

12.6 Review and report actions and resolutions of the AC to the Board of Directors with such recommendations as the AC considers appropriate; and

12.7 Review the adequacy and effectiveness of the Company's risk management and internal control systems (including financial, operational, compliance and information technology controls) and to report to the Board annually.

The AC is also responsible for making recommendations to the Board on the appointment/re-appointment/removal of the EA and IA and their remuneration.

The AC has explicit authority to investigate any matter within its terms of reference. The AC has full access to, and the cooperation of the management, as well as the EA and IA, respectively. The AC also has full discretion to invite any Director or any member of management to attend its meeting. The AC has adequate resources, including access to external professional advisors if required and auditors, to enable it to discharge its responsibilities properly.

The Board considers Mr Lu King Seng to have extensive and practical financial management knowledge and experience, well-qualified to chair the AC. The other members of the AC bring with them invaluable experience in finance and business management. The Board is of the view that the members of the AC are appropriately qualified in that they have sufficient accounting or related financial management expertise and experience to discharge the duties and responsibilities of the AC.

To keep abreast of the changes in accounting standards and issues which have a direct impact on the financial statements of the Group, the AC is encouraged to participate in relevant training courses, seminars and workshops, and to seek advice from the EA at the AC meetings that are held.

The AC is satisfied that based on the nature and extent of non-audit services (mainly being services provided for the purpose of IPO) provided to the Group by the EA in FY2016, it would not prejudice the independence and objectivity of the EA and has recommended to the Board the EA's re-appointment for FY2017. The audit service and non-audit service fees paid or payable to the EA of the Company for FY2016 amounted to S$160,000 and S$498,000 respectively.

The Board and the AC Committee confirm that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of the EA.

The AC will meet with the EA and the IA separately, at least once a year, without the presence of the management to review any matter that might be raised. For FY2016, there were no private sessions between AC and EA as well as IA as the Company was listed on the Catalist Board on 17 September 2015.

The Group has put in place a whistle-blowing framework (the "**Whistle-Blowing Policy**") endorsed by the AC where the employees of the Group may, in confidence, raise concerns about possible corporate improprieties on matters of financial reporting or other matters. A dedicated secured email address has been set up to allow whistle-blowers to contact the Chairman of the Board directly.

Details of the Whistle-Blowing Policy and arrangements have been made available to all employees of the Group. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action, and provides assurance that whistle blowers will be protected from reprisal within the limits of the law.

The AC shall commission and review the findings of internal investigations where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. There were no whistle-blowing letters received during the financial year.

No former partner or director of the Company's EA and IA is a member of the AC.

INTERNAL AUDIT

Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The AC approves the hiring, removal, evaluation and compensation of the IA. During FY2016, in connection with the IPO of the Company, pre-IPO internal controls reviews were conducted by PricewaterhouseCoopers Risk Services Pte. Ltd. ("**PwC**"). Subsequent to the IPO of the Company, the internal audit function of the Group has been outsourced to PwC and their primary line of reporting will be to the AC.

The IA reports directly to the AC and has full access to documents, records, properties and personnel of the Company and the Group. The IA plans its internal audit schedules in consultation with the management and its plans, IA reports and activities are reviewed and approved by the AC. The results of the internal audit will be presented to and reviewed by the AC and the Board. PwC had conducted a review of the effectiveness of the Group's internal control for the purposes of the Group's IPO. The next internal audit would be conducted in FY2017 given that the Group was only listed on the Catalist Board on 17 September 2015.

The AC reviews the reports issued by the IA to ensure that the Group's internal controls including financial, operational, compliance and IT controls are robust and effective, and follows up with management and the IA in ensuring that the IA's recommendations agreed with management have been adequately and appropriately implemented. The AC also ensures that management provides good support to the IA, such as providing the IA with access to documents, records, properties and personnel when requested in order for them to carry out their function accordingly.

The IA performs its works in line with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The AC, having considered, amongst others, the reputation and track record of PwC and the qualifications, experience and availability of resources and independence of the team at PwC, is satisfied that the appointment of PwC as IA is appropriate and has the appropriate standing in the Company to discharge its duties effectively.

The AC, on an annual basis, assesses the effectiveness of the IA by examining the scope of the internal audit work, its independence and the IA's findings.

D. SHAREHOLDER RIGHTS AND RESPONSIBILITIES

SHAREHOLDER RIGHTS

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognize, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

The Company does not practise selective disclosure of material information. Material and price-sensitive information is always released on SGXNET after trading hours. Results and annual reports are announced or issued within the mandatory periods and are available on the Company website. When press conferences and briefings are held on major events and financial results, the management will only meet the press and analysts after the announcement is released on SGXNET.

Shareholders are informed of general meetings through notices published in the newspaper and the Company's announcements and press releases via SGXNET as well as through reports/circulars sent to all Shareholders. Shareholders are invited to attend the general meetings to put forth any questions they may have on the motions to be debated and decided upon.

All Shareholders are entitled to vote and shall be informed of the rules, including voting procedures, at the general meetings. The Company's Constitution allows a Shareholder of the Company to appoint up to two proxies to attend and vote in place of him / her.

COMMUNICATION WITH SHAREHOLDERS

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

In line with the continuing disclosure obligations under the Catalist Rules, the Board informs Shareholders promptly of all major developments that may have a material impact on the Group. All of the Company's announcements are released via SGXNET, including the financial results, annual reports, distribution of notices, press releases, analyst briefings, presentations, announcements on acquisitions and other material developments.

General meetings are still the principal forum for dialogue with Shareholders. To promote a better understanding of Shareholders' views, the Board encourages Shareholders to participate during the Company's general meetings. At these meetings, Shareholders are able to engage the Board and the management on the Group's business activities, financial performance and other business-related matters. The Company could also gather views and address Shareholders' concerns at general meetings. The Company is open to meetings with investors and analysts, and in conducting such meetings, is mindful to ensure fair disclosure.

The Company also communicates through its corporate website, http://www.takajewellery.com.sg, to provide shareholders access to the Group's corporate announcements, news releases, annual reports and corporate information.

Currently, the Company does not have a formal dividend policy. For FY2016, the Board has proposed a final one tier tax exempt cash dividend of 0.388 Singapore cents per ordinary share.

CONDUCT OF SHAREHOLDER MEETINGS

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company supports active shareholder participation at general meetings. If shareholders are unable to attend the meetings, the Company's Constitution allows for a shareholder of the Company to appoint up to two proxies to attend and vote in place of the shareholder.

The Board ensures that separate resolutions are proposed for approval on each distinct issue at general meetings.

The Chairman of the Board, the Board Committees and the GFC attend all general meetings to address issues raised by Shareholders. The EA is also invited to attend the AGM and is available to assist the Directors and the GFC in addressing any relevant queries by the Shareholders relating to the conduct of the audit and the preparation of the contents of the auditors' report.

The minutes of general meetings which include queries from Shareholders and responses from the Board will be made available to Shareholders upon written request.

To ensure that all Shareholders have the opportunity to participate effectively in and vote at general meetings, voting at general meetings of the Company will be conducted by poll where Shareholders are accorded voting rights proportionate to their shareholding and all votes will be counted and announced.

DEALING IN SECURITIES

RULE 1204(19) OF THE CATALIST RULES

The Group has adopted a policy whereby the Directors and employees are prohibited from dealing in the securities of the Company while in possession of price-sensitive information as well as during the period commencing one (1) month before the announcement of the Company's full year results and two (2) weeks before the announcement of the first, second and third quarter financial results until the said results announcement has been made. The Directors and employees of the Group are to refrain from dealing in the Company's securities on short-term considerations.

The Directors and employees of the Group are also required to adhere to the provisions of the Securities and Futures Act, Companies Act, the Catalist Rules and any other relevant regulations with regard to their securities transactions.

Directors and employees of the Group are also expected to observe insider trading laws at all times even when dealing with securities within the permitted trading period.

NON-SPONSOR FEES

RULE 1204(21) OF THE CATALIST RULES

In compliance with Rule 1204(21) of the Catalist Rules, the nature and amount of fees for non-sponsor services rendered by the Company's sponsor, Primepartners Corporate Finance Pte. Ltd., to the Company in FY2016 were S$1,346,254 relating to the IPO of the Company on 17 September 2015.

INTERESTED PERSON TRANSACTIONS

The Group has established internal control policies to ensure that transactions with interested persons are properly reviewed and approved, and are conducted at an arm's length commercial terms basis. Any Director, MD and/or controlling Shareholder who is interested in a transaction will abstain and refrain from deliberating, discussing, making recommendations and approving the transaction. The Group does not have a general mandate from Shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules.

Save as disclosed in pages 115 to 121 of the Offer Document, there were no other interested person transactions of S$100,000 and above subsequent to the admission of the Company to the Catalist Board of the SGX-ST.

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

All personal guarantee provided by directors had been released as at 31 March 2016.

MATERIAL CONTRACTS

RULE 1204(8) OF THE CATALIST RULES

Saved for the material contracts previously disclosed in the Offer Document and in the Company's announcements, there are no other material contracts entered into by the Company or any of its subsidiaries involving the interest of any Director, MD or controlling shareholder either still subsisting as at 31 March 2016 or if not then subsisting entered into since 31 March 2016.

CORPORATE SOCIAL RESPONSIBILITY

No formal corporate social responsibility policies has been adopted. However, the Group recognises that employees are vital to the long-term growth and success of its business whilst cultivating a work-life balanced environment.

The Group invests in training to upskill its staff and contributes to their professional and personal development, every employee is given adequate on-the-job training, opportunities for skills upgrading and a framework for career advancement.

The following is a list of staff training made available to our staff in FY2016:

Date	Detail of Events
Jan 2016	Sale of Products & Services at Singapore Institute of Retail Studies
Sep 2015	Anti-Money Laundering conducted by Acumen Bizcorp Pte. Ltd.
Jul - Aug 2015	Excellent Service Award Workshop for Silver Recipients at Singapore Retail Association

Corporate Social Responsibility Report can be found on page 15 of this Annual Report

USE OF IPO PROCEEDS

Rule 1204(22) of the Catalist Rules

Pursuant to the Company's IPO, the Company received gross proceeds of approximately S$15.6 million (the "Proceeds"). The Proceeds had been fully utilised as announced to SGXNET on 16 February 2016.

Please refer to the offer document and SGXNET announcements made on 23 November 2015, 31 December 2015 and 16 February 2016 for more details.

The Directors are pleased to present their report to the members together with the audited consolidated financial statements of TLV Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2016.

Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the balance sheets and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

(ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The Directors of the Company in office at the date of this statement are:

Teo Boon Leng	(Appointed on 22 June 2015)
Ang Kah Leong	(Appointed on 22 June 2015)
Goh Yeow Tin	(Appointed on 21 August 2015)
Lu King Seng	(Appointed on 21 August 2015)
Chua Kern	(Appointed on 21 August 2015)

Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The Directors of the Company, who held office at the end of the financial year, had, according to the register of Directors' shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50, an interest in shares of the Company, as stated below:

	Held in the name of the director	
Name of Director	**At the earlier of beginning of financial year/date of appointment**	**At the end of financial year**
Ordinary shares of the Company		
Teo Boon Leng	1	171,359,753
Ang Kah Leong	1	157,884,355
Ordinary shares in Taka Jewellery Pte. Ltd.		
Teo Boon Leng	3,165,456	–
Ang Kah Leong	3,435,627	–

Directors' interests in shares and debentures

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2016.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Options

No options were granted by the Company to any persons to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of any exercise of option to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

Ang Kah Leong
Director

Teo Boon Leng
Director

Singapore
22 June 2016

Report on the Financial Statements

We have audited the accompanying financial statements of TLV Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 39 to 86 which comprise the balance sheets of the Group and the Company as at 31 March 2016, the statements of changes in equity of the Group and the Company and the consolidated profit and loss account, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and of the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

22 June 2016

CONSOLIDATED STATEMENT OF *Comprehensive Income*

For the financial year ended 31 March 2016

	Note	Group 2016 $'000	Group 2015 $'000
Revenue	4	127,823	153,984
Cost of sales		(90,079)	(110,031)
Gross profit		37,744	43,953
Other operating income	5	331	322
Distribution costs		(23,660)	(23,980)
Administrative expenses		(5,224)	(5,802)
Other operating expenses		(2,477)	(2,552)
Share of profits of associated company		100	1,143
Finance costs	6	(645)	(405)
Profit before tax	7	6,169	12,679
Income tax expense	9	(698)	(2,016)
Net profit		5,471	10,663
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(24)	104
Share of other comprehensive income of associated company		(102)	452
Total comprehensive income		5,345	11,219
Earnings per share			
Basic and Diluted (cents)	11	1.03	2.17

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE *Sheets*

As at 31 March 2016

	Note	Group 2016 $'000	Group 2015 $'000	Company 2016 $'000	Company 2015 $'000
ASSETS					
Non-current assets					
Investment in subsidiaries	10	–	–	82,076	–
Investment in associated company	12	5,250	5,193	–	–
Fixed assets	13	5,770	5,456	–	–
Trademarks	14	1,126	1,267	–	–
Non-current other receivables	16	1,530	1,131	–	–
		13,676	13,047	82,076	–
Current assets					
Inventories	15	96,703	99,848	–	–
Trade and other receivables	16	46,252	48,422	16,129	–
Prepayments		149	317	7	–
Cash and bank balances	17	12,709	8,135	1,600	–
		155,813	156,722	17,736	–
Total assets		169,489	169,769	99,812	–
LIABILITIES					
Current liabilities					
Bank borrowings	18	8,509	14,635	–	–
Hire purchase	25(b)	88	–	–	–
Trade and other payables	19	53,656	62,208	206	–
Dividends payable	23	–	5,004	–	–
Income tax payable		1,347	2,544	–	–
		63,600	84,391	206	–
NET CURRENT ASSETS		92,213	72,331	17,530	–
Non-current liabilities					
Bank borrowings	18	3,047	2,802	–	–
Hire purchase	25(b)	329	–	–	–
Deferred tax liabilities	20	159	231	–	–
Provision	21	290	269	–	–
		3,825	3,302	–	–
Total liabilities		67,425	87,693	206	–
NET ASSETS		102,064	82,076	99,606	–
Equity attributable to owners of the Company					
Share capital	22	96,719	17,574	96,719	–
Merger reserve		(64,502)	–	–	–
Retained earnings		69,362	63,946	2,887	–
Other reserves		485	556	–	–
Total equity		102,064	82,076	99,606	–

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

For the financial year ended 31 March 2016

	Share capital (Note 22) $'000	Merger reserve $'000	Foreign currency translation reserve (1) $'000	Retained earnings $'000	Statutory reserve (2) $'000	Total $'000
Group						
Opening balance as at 1 April 2015	17,574	–	556	63,946	–	82,076
Profit for the year	–	–	–	5,471	–	5,471
Other comprehensive income						
Foreign currency translation	–	–	(24)	–	–	(24)
Share of other comprehensive income of associated company	–	–	(102)	–	–	(102)
Total comprehensive income	–	–	(126)	5,471	–	5,345
Contributions by owners and/or distributions by owners						
Share swap pursuant to the Restructuring Exercise	(17,574)	(64,502)	–	–	–	(82,076)
Issue of shares pursuant to the Restructuring Exercise	82,076	–	–	–	–	82,076
Issue of New Shares, GFC Shares and PPCF Shares	16,071	–	–	–	–	16,071
Listing expenses taken to equity	(1,428)	–	–	–	–	(1,428)
Statutory reserve (2)	–	–	–	(55)	55	–
Total transactions with owners in their capacity as owners	79,145	(64,502)	–	(55)	55	14,643
Closing balance as at 31 March 2016	96,719	(64,502)	430	69,362	55	102,064

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF
Changes in Equity

For the financial year ended 31 March 2016

	Share capital (Note 22) $'000	Merger reserve $'000	Foreign currency translation reserve [(1)] $'000	Retained earnings $'000	Statutory reserve [(2)] $'000	Total $'000
Group						
Opening balance as at 1 April 2014	9,003	–	–	58,287	–	67,290
Profit for the year	–	–	–	10,663	–	10,663
Other comprehensive income						
Foreign currency translation	–	–	104	–	–	104
Share of other comprehensive income of associated company	–	–	452	–	–	452
Total comprehensive income	–	–	556	10,663	–	11,219
Share issued for business acquisition	8,571	–	–	–	–	8,571
Dividends on ordinary shares (Note 23)	–	–	–	(5,004)	–	(5,004)
Closing balance as at 31 March 2015	17,574	–	556	63,946	–	82,076

(1) ***Foreign currency translation reserve***

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of the Group's foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the share of foreign currency translation reserve of associate.

(2) ***Statutory reserve***

UAE Federal Law requires all local companies to allocate 10% of its net profit each year to a statutory reserve account until such statutory reserve account balance reaches 50% of the share capital of the company.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

For the financial year ended 31 March 2016

	Share capital (Note 22) $'000	Retained earnings $'000	Total $'000
Company			
As at date of incorporation on 22 June 2015	–	–	–
Profit for the year	–	2,887	2,887
Total comprehensive income	–	2,887	2,887
Contributions by owners and/or distributions by owners			
Issue of shares pursuant to the Restructuring Exercise	82,076	–	82,076
Issue of New Shares, GFC Shares and PPCF Shares	16,071	–	16,071
Listing expenses taken to equity	(1,428)	–	(1,428)
Closing balance as at 31 March 2016	96,719	2,887	99,606

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF
Cash Flows

For the financial year ended 31 March 2016

	Group	
	2016	**2015**
	$'000	**$'000**
Cash flows from operating activities		
Profit before tax	6,169	12,679
Adjustments for:		
Depreciation of fixed assets	801	982
Amortisation of trademarks	141	141
Interest expense	645	405
Share of profits of associated company	(100)	(1,143)
Fixed assets written off	56	–
Unrealised exchange loss/(gain)	(596)	1,261
(Gain)/loss on disposal of fixed assets (Note (i))	(30)	10
Listing expenses	1,750	–
Operating cash flows before working capital changes	8,836	14,335
Increase in trade and other receivables and prepayments	(198)	(15,701)
Decrease in inventories	3,145	5,176
Decrease in trade and other payables	(5,741)	(1,262)
(Decrease)/increase in bills payable	(599)	1,400
Cash flows from operations	5,443	3,948
Interest paid	(621)	(405)
Income tax paid, net	(2,031)	(1,819)
Net cash generated from operating activities	2,791	1,724
Cash flows from investing activities		
Investment in associated company	–	(2,450)
Proceeds from disposal of fixed assets	38	44
Net cash inflow from business combination	–	1,876
Purchase of fixed assets (Note (ii))	(719)	(484)
Net cash flows used in investing activities	(681)	(1,014)
Cash flows from financing activities		
Proceeds from bank borrowings	7,900	4,700
Repayment of bank borrowings	(11,273)	(2,709)
Repayment of hire purchase	(22)	–
Dividends paid	(5,004)	–
Proceeds from issue of shares, net (Note (iii))	12,893	–
Net cash flows generated from financing activities	4,494	1,991
Net increase in cash and cash equivalents	6,604	2,701
Net effect of exchange rates changes on the cash balance held in foreign currencies	(121)	157
Cash and cash equivalents at beginning of the financial year	6,226	3,368
Cash and cash equivalents at end of the financial year (Note 17)	12,709	6,226

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

(i) (Gain)/loss on disposal of fixed assets

During the financial year, the Group disposed fixed assets with carrying amount of $302,000 (2015: $54,000). Cash proceeds of $38,000 (2015: $44,000) were received on disposal of fixed assets.

(ii) Purchase of fixed assets

During the financial year, the Group acquired fixed assets with an aggregate cost of $1,473,000 (2015: $728,000). Cash payments of $719,000 (2015: $484,000) were made to purchase fixed assets.

(iii) Proceeds from issue of shares, net

Proceeds from issue of shares of $12,893,000 is net of payments for listing expenses of $2,678,000 and net of the shares issued amounting to $500,000 (Note 22(1)).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

TLV Holdings Limited (the "Company") was incorporated on 22 June 2015 and domiciled in Singapore with its principal place of business and registered office at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181. Related parties in these financial statements refer to TLV Holding Limited's group of companies.

TLV Holdings Limited and its subsidiaries (the "Group") was formed through a restructuring exercise, where it became the holding company of Taka Jewellery Pte. Ltd. ("TJPL") through a share swap arrangement on 17 August 2015. Pursuant to the share swap agreement, the Company issued and allotted 492,455,998 ordinary shares to the shareholders of TJPL for an aggregate consideration of $82,075,999.67 for the entire issued and paid up capital of TJPL. As a result, the Group represents the continuation of Taka Jewellery Pte. Ltd. and its subsidiaries.

In the previous financial year, on 1 April 2014, TJPL acquired the wholesale and retail of jewellery business of Taka Gold Pte. Ltd. ("TGPL") and the shares in the subsidiaries of TGPL, namely Taka Jewellery Sdn Bhd, Taka Jewellery LLC and Taka Jewellery (Hong Kong) Limited ("Business Acquisition" – Note 10) and the comparative year ended 31 March 2015 financial statements was consolidated based on the combined financial statements of the subsidiaries as at the end of the reporting period. The figures for the reporting year ended 31 March 2015 represent the combined results, state of affairs, changes in equity and cash flows as if the group had existed since 1 April 2014.

The Company was admitted to the SGX Catalist board on 17 September 2015.

The principal activity of the Company relates to that of an investment holding company. The principal activities of its subsidiaries are stated in table below:

Name of subsidiary	Principal activities	Country of incorporation/ place of business	Proportion (%) of ownership interest	
			2016	2015
Taka Jewellery Pte. Ltd. (i)	Wholesale and retail of jewellery	Singapore	100	100
Voi Jewellery Pte Ltd (i)	Wholesale of jewellery	Singapore	100	100
Top Cash Jewellery Pte Ltd (i)	Retail of secondhand jewellery	Singapore	100	100
Top Cash Pte Ltd (i)	Pawnbroking	Singapore	100	100
Lovis Diamonds Pte Ltd (i)	Retail of jewellery	Singapore	100	100
Taka Jewellery (Hong Kong) Limited (ii)	Wholesale of jewellery	Hong Kong	100	100
Taka Jewellery LLC (iii)	Wholesale of jewellery	Dubai	100*	100*
Taka Jewellery Sdn Bhd (iv)	Dormant	Malaysia	100	100

* The Company has 49% legal interest in Taka Jewellery LLC. Pursuant to the investment agreement entered into, the Company is deemed to have 100% effective interest in Taka Jewellery LLC.

(i) Audited by Ernst & Young LLP, Singapore.

(ii) Audited by Ernst & Young, Certified Public Accountants, Hong Kong.

(iii) Audited by Kanaan and Associates, Certified Public Accountants and Advisors, Dubai.

(iv) Audited by Leong Siew Hoong & Co., Certified Public Accountants, Malaysia.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below and are presented in Singapore Dollars (SGD or $) and all values in the tables are rounded to the nearest thousand ($'000) as indicated.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 April 2015. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
Improvements to FRSs (November 2014)	
– Amendments to FRS 105 Non-current Assets Held for Sale and Discontinued Operations	1 January 2016
– Amendments to FRS 107 Financial Instruments	1 January 2016
– Amendments to FRS 19 Employee Benefits	1 January 2016
FRS 114 Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 27 Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 16 Property, Plant and Equipment and FRS 38 Intangible Assets	1 January 2016
Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture	1 January 2016
Amendments to FRS 111 Accounting for Acquisition of Interests in Joint Operations	1 January 2016
Amendments to FRS 1: Disclosure Initiative	1 January 2016
Amendments to FRS 110 and FRS 28: Sale of Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to FRS 7: Disclosure Initiative	1 January 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 109 Financial Instruments	1 January 2018

Except for FRS 115 and FRS 109, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 and FRS 109 are described below.

2. Summary of significant accounting policies (cont'd)

2.3 ***Standards issued but not yet effective (cont'd)***

FRS 115 *Revenue from Contracts with Customers*

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognizing revenue when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied.

Key issues for the Group include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently evaluating the impact of the changes and assessing whether the adoption of FRS 115 will have an impact on the Group and plans to adopt the standard on the required effective date.

FRS 109 *Financial Instruments*

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model. Adopting the expected credit losses requirements will require the Group to make changes to its current systems and processes.

FRS 109 is effective for annual periods beginning on or after 1 January 2018 with early adoption permitted. Retrospective application is required, but comparative information is not compulsory. The Group is currently evaluating the impact of the changes and assessing whether the adoption of FRS 109 will have an impact on the Group and plans to adopt the standard on the required effective date.

2.4 ***Revenue***

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The following specific recognition criteria must also be met before revenue is recognised:

(a) ***Sale of goods***

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

2. Summary of significant accounting policies (cont'd)

2.4 ***Revenue (cont'd)***

(b) ***Interest income***

Interest income is recognised using the effective interest method.

(c) ***Dividend income***

Dividend income is recognised when the Group's right to receive payment is established.

2.5 ***Basis of consolidation and business combinations***

(a) ***Basis of consolidation***

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

– de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;

– de-recognises the carrying amount of any non-controlling interest;

– de-recognises the cumulative translation differences recorded in equity;

– recognises the fair value of the consideration received;

– recognises the fair value of any investment retained;

– recognises any surplus or deficit in profit or loss;

– re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. Summary of significant accounting policies (cont'd)

2.5 ***Basis of consolidation and business combinations (cont'd)***

(b) ***Business combinations***

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill.

2.6 ***Foreign currency***

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) ***Transactions and balances***

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

2. Summary of significant accounting policies (cont'd)

2.6 ***Foreign currency (cont'd)***

(b) ***Consolidated financial statements***

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 ***Subsidiaries***

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.8 ***Associate***

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investment in associate is accounted for using the equity method. Under the equity method, the investment in associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is included as income in the determination of the Group's share of results of the associate in the period in which the investment is acquired.

The profit or loss reflects the share of the results of operations of the associate. Where there has been a change recognised in other comprehensive income by the associate, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The Group's share of the profit or loss of its associate is the profit attributable to equity holders of the associate and, therefore is the profit or loss after tax and non-controlling interests in the subsidiaries of associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.8 ***Associate (cont'd)***

The financial statements of the associate is prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

2.9 ***Fixed assets***

All items of fixed assets are initially recorded at cost. The cost of an item of fixed asset is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of fixed assets are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the fixed assets as follows:

Leasehold properties	-	25 to 60 years
Renovation	-	3 to 5 years
Motor vehicles	-	10 years
Furniture and fixtures and office equipment	-	3 to 5 years

The carrying values of fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the fixed asset is included in profit or loss in the year the asset is derecognised.

2.10 ***Intangible assets***

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

2. Summary of significant accounting policies (cont'd)

2.10 ***Intangible assets (cont'd)***

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Trademarks

The trademarks were acquired in business combinations and are amortised on a straight line basis over its finite useful life of 10 years.

2.11 ***Impairment of non-financial assets***

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

2. Summary of significant accounting policies (cont'd)

2.11 *Impairment of non-financial assets (cont'd)*

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.12 *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are de-recognised or impaired, and through the amortisation process.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

2.13 *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

2. Summary of significant accounting policies (cont'd)

2.13 ***Financial liabilities (cont'd)***

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.14 ***Financial guarantees***

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.15 ***Leases***

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of INT FRS 104.

As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.16 ***Inventories***

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

– Raw materials: purchase costs on a weighted average basis.

– Finished goods: cost of raw materials and labour, determined on specific identification basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2. Summary of significant accounting policies (cont'd)

2.17 ***Taxes***

(a) ***Current income tax***

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) ***Deferred tax***

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

– Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

– Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. Summary of significant accounting policies (cont'd)

2.17 ***Taxes (cont'd)***

(b) ***Deferred tax (cont'd)***

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

(c) ***Goods and services tax ("GST")***

Revenues, expenses and assets are recognised net of the amount of goods and services tax except:

– Where the goods and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

– Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheets.

2.18 ***Share capital and share issue expenses***

Proceeds from issuance of ordinary shares net of directly attributable expenses are recognised as share capital in equity.

2. Summary of significant accounting policies (cont'd)

2.19 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.20 *Employee benefits*

(a) ***Defined contribution plans***

The Singapore companies in the Group make contributions to the Central Provident Fund (CPF) Scheme in Singapore, a defined contribution pension scheme. Contributions to defined pension schemes are recognised as expense in the period in which the related service is performed.

(b) ***Employee leave entitlement***

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.21 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.22 *Government grants*

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

2.23 *Segment reporting*

For management purposes, the Group is organised into operating segments based on their products and services, which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge.

The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 29, including the factors used to identify the reportable segments and the measurement basis of segment information.

3. Significant accounting judgments and estimate

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 ***Judgements made in applying accounting policies***

In the process of applying the accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effects on the amounts recognised in the consolidated financial statements:

Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determine the sales prices of the goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

Determination of investment in associated company

In July 2012, TJPL and the other shareholder invested in an entity whose principal business activity is the wholesale of jewellery. The Group holds a 50% equity interest in this entity and has accounted for the equity interest as investment in associated company. The Group has one representation on the entity's board of directors, however all major operational decisions are decided by the other shareholder as indicated in the shareholders' agreement. Based on these facts and circumstances, management concluded that the Group has significant influence on this entity and, therefore, equity accounts the entity in the consolidated financial statements.

Allowance for doubtful debts

The policy for allowances for bad and doubtful debts of the Group and Company is based on the evaluation of collectability and aging analysis of trade receivables and on management's judgment. The carrying amounts of trade receivables as at 31 March 2016 for the Group is $45,017,000 (2015: $45,290,000) which is net of an allowance for impairment for trade receivables of $864,000 (2015: $697,000). A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of the customers of the Group and Company were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amount of the Group and Company's trade receivables at the end of the reporting period is disclosed in Note 16 to the financial statements.

Allowance of inventory obsolescence

The Group periodically assesses the allowance for inventory obsolescence. When the inventories are deemed not saleable, the difference between net realisable value and cost is recognised as an allowance against the inventory balance. The Group assesses consumer preferences for the products it carries. Any possible changes in consumer's preferences could affect the saleability of the inventory. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 15 to the financial statements.

4. Revenue

	Group 2016 $'000	Group 2015 $'000
Sale of goods, net of discounts and returns	127,183	153,837
Interest income from pawnbroking business	640	147
	127,823	153,984

5. Other operating income

	Group 2016 $'000	Group 2015 $'000
Government grants	312	149
Sundry income	19	173
	331	322

Government grants relate to Productivity and Innovation Credit scheme (PIC), Wage Credit scheme (WCS), Temporary Employment Credit (TEC) and Special Employment Credit (SEC) claims from the government.

6. Finance costs

	Group 2016 $'000	Group 2015 $'000
Interest expense on:		
- Bank loans	552	343
- Bills payable	86	40
- Bank overdrafts	7	22
	645	405

7. Profit before tax

The following items have been included in arriving at profit before tax:

	Group 2016 $'000	Group 2015 $'000
Employee compensation (Note 8)	12,731	12,254
Rental on operating leases	6,529	6,810
Net foreign currency exchange loss	1,081	1,948
Depreciation of fixed assets (Note 13)	801	982
Gain/(loss) on disposal of fixed assets	30	(10)
Fixed assets written off (Note 13)	56	–
Amortisation of trademarks (Note 14)	141	141
Net allowance for impairment of trade receivables (Note 16)	232	453
Listing related expenses (Note 22)	1,750	–
Audit fees:		
– Auditor of the Company	159	85
– Other auditors	4	4
Non-audit fees:		
– Auditor of the Company#	435	100
– Other auditors	120	42

Non-audit fees recognised in the profit or loss account forms part of the total non-audit fee of $498,000. These non-audit fees relate mainly to the service rendered in connection with the listing of the Group.

8. Employee compensation

	Group 2016 $'000	Group 2015 $'000
Short-term employment benefits	11,772	11,329
Employer's contribution to Central Provident Fund	959	925
	12,731	12,254

9. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2016 and 2015 are:

	Group	
	2016	**2015**
	$'000	**$'000**
Statement of comprehensive income:		
Current income tax		
Current year	1,132	2,269
Over provision in prior year	(362)	(160)
Deferred income tax		
Current year	(72)	(44)
Over provision of deferred tax in prior year	–	(49)
	698	2,016

Reconciliation between tax expense and before tax

The reconciliation between tax expense and the product of profit before tax multiplied by the applicable corporate tax rate for the years ended 31 March are as follow:

	Group	
	2016	**2015**
	$'000	**$'000**
Profit before tax	6,169	12,679
Tax calculated at tax rate of 17% (2015: 17%)	1,049	2,155
Adjustments:		
Effect of different tax rates in other countries	(2)	(3)
Non-deductible expenses	487	389
Income not subject to tax	(104)	(6)
Tax effect of partial tax exemption, tax relief, enhanced allowance and effect of double tax deduction*	(391)	(156)
Benefits from previously unrecognised tax assets	(15)	(2)
Deferred tax assets not recognised	53	42
Overprovision in prior year	(362)	(209)
Share of profit from associated company	(17)	(194)
	698	2,016

* During the year, the Group has applied for Double Tax Deduction scheme ("DTD") that is available under International Enterprise Singapore for certain qualifying overseas expenses incurred during the Group's overseas exhibitions.

10. Investment in subsidiaries

	Company 2016 $'000	Company 2015 $'000
Shares, at cost	82,076	–

For details of subsidiaries of the Group, please refer to Note 1.

Business Acquisition

On 1 April 2014, Taka Jewellery Pte. Ltd. ("TJPL") (formerly known as Metallic Refinering Enterprise Pte Ltd) acquired the wholesale and retail of jewellery business of Taka Gold Pte. Ltd. ("TGPL") and the shares in the subsidiaries of TGPL, namely Taka Jewellery Sdn Bhd, Taka Jewellery LLC and Taka Jewellery (Hong Kong) Limited ("Business Acquisition").

The aggregate consideration for the business combination was $8,571,302. The consideration was satisfied by the issue and allotment of 921,445 shares in TJPL on 7 July 2014. There was no goodwill arising from the aforesaid transaction.

	2015 $'000
Fair value of assets and liabilities	
Property, plant and equipment (Note 13)	1,069
Trademarks (Note 14)	1,408
Trade and other receivables	27,045
Prepayment	77
Cash and bank balances	1,876
	31,475
Trade and other creditors	2,062
Income tax payable	102
Deferred tax liabilities	239
	2,403
Identifiable net assets at fair value	29,072
Goodwill arising from acquisition	–
Total identifiable net assets at fair value	29,072
Consideration transferred for the acquisition	
Fair value of issued share capital	(8,571)
Settlement of trade receivables from TGPL	(20,501)
	(29,072)
Add: Cash and cash equivalents acquired	1,876
Net cash inflow from Business Acquisition	1,876

10. Investment in subsidiaries (cont'd)

Trade and other receivables acquired

Trade and other receivables acquired comprise gross trade and other receivables amounting to $27,045,000, which approximates fair value. It is expected that the full carrying amount of the receivables can be collected.

Transaction costs

Total transaction costs related to the acquisition of $70,000 have been recognised in 'Administrative expenses' line item in the Group's profit and loss account for the financial year ended 31 March 2015.

11. Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares during the year. Diluted earnings per share are similar to basic earnings per share as there were no potential dilutive ordinary shares existing during the respective financial years.

	Group	
	2016	**2015**
	$'000	**$'000**
Profit for the year attributable to owners of the Company used in computation of basic earnings per share	5,471	10,663
	No. of shares	**No. of shares**
Weighted average number of ordinary shares for basic and diluted earnings per share	531,683,000	492,456,000

The weighted average number of ordinary shares refers to shares in outstanding during the reporting period. It has been adjusted for the number of shares based on the share swap ratio pursuant to the share swap agreement as described in Note 1.

As at 31 March 2015, basic and diluted earnings per share were calculated on the same basis based on pre-placement share capital of the Company. The Company's pre-placement share capital of 492,456,000 ordinary shares is assumed to be in issue throughout the entire financial year presented.

Other than the share buy-back exercise as described in Note 31, there have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and the date of these financial statements.

12. Investment in associated company

The Group has 50% (2015: 50%) interest in the ownership in the associated company, Globe Diamonds Pte Ltd. The entity is incorporated in Singapore and is a strategic venture in the business.

	Group	
	2016	**2015**
	$'000	**$'000**
Shares, at cost	2,500	2,500
Share of post-acquisition reserves	2,750	2,693
	5,250	5,193

Included in share of post-acquisition reserves is an amount of $350,000 (2015: $452,000) relating to foreign currency translation reserve adjustment.

Name of associated company	**Principal activities**	**Country of incorporation/ place of business**	**Proportion (%) of ownership interest**	
			2016	**2015**
Globe Diamonds Pte Ltd [(i)]	Wholesale of diamonds	Singapore	50	50

(i) Audited by MT & Partners LLP

The summarised financial information of the associated company, based on its FRS financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

	Group	
	2016	**2015**
	$'000	**$'000**
Summarised balance sheet		
Non-current assets	2,186	2,269
Current assets	26,361	33,710
Total assets	28,547	35,979
Non-current liabilities	1,385	1,440
Current liabilities	16,661	24,153
Total liabilities	18,046	25,593
Net assets	10,501	10,386
Proportion of the Group's ownership	50%	50%
Group's share of net assets, representing carrying amount of investment	5,250	5,193
Summarised statement of comprehensive income		
Revenue	18,034	33,748
Profit after tax	318	2,324
Other comprehensive income	(204)	904
Total comprehensive income	114	3,228

12. Investment in associated company (cont'd)

Included in total comprehensive income for the financial year 31 March 2016, is an unrealised profit of $59,000 (2015: $19,000) on inventory sold to TJPL which is adjusted on consolidation.

13. Fixed assets

Group	Leasehold properties $'000	Furniture and fittings and office equipment $'000	Motor vehicles $'000	Renovation $'000	Total $'000
Cost					
At 1 April 2014	4,515	686	781	861	6,843
Additions [(1)]	–	206	89	433	728
Arising from business acquisition	–	149	777	143	1,069
Disposals	–	(4)	(36)	(14)	(54)
At 31 March 2015 and 1 April 2015	4,515	1,037	1,611	1,423	8,586
Additions [(1)]	–	176	967	330	1,473
Write off	–	(131)	–	(67)	(198)
Disposals	–	(1)	(656)	(8)	(665)
As at 31 March 2016	4,515	1,081	1,922	1,678	9,196
Accumulated depreciation					
At 1 April 2014	1,084	361	262	441	2,148
Depreciation charge for the year	134	210	181	457	982
At 31 March 2015 and 1 April 2015	1,218	571	443	898	3,130
Depreciation charge for the year	134	221	189	257	801
Write off	–	(109)	–	(33)	(142)
Disposal	–	(1)	(354)	(8)	(363)
As at 31 March 2016	1,352	682	278	1,114	3,426
Net carrying amount					
At 31 March 2016	3,163	399	1,644	564	5,770
At 31 March 2015	3,297	466	1,168	525	5,456

A leasehold property with carrying amount of $1,065,000 (2015: $3,297,000) of a subsidiary is secured to obtain a banking facility in a subsidiary (Note 18).

The carrying amount of motor vehicles at the end of the reporting period amounting to $869,000 (2015: $385,000) were held in trust by directors of the Group; of which $869,000 (2015: $Nil) were also held under finance leases.

(1) The additions include capitalisation of provision for reinstatement cost amounting to $21,000 and $244,000 in the financial year ended 31 March 2016 and 2015 respectively (Note 21).

14. Trademarks

	Group $'000
Cost	
As at 31 March 2014	–
Addition due to business acquisition	1,408
As at 31 March 2015 and 31 March 2016	1,408
Accumulated amortisation	
As at 31 March 2014	–
Amortisation charge for the year	141
As at 31 March 2015 and 1 April 2015	141
Amortisation charge for the year	141
As at 31 March 2016	282
Net carrying value as at 31 March 2016	1,126
Net carrying value as at 31 March 2015	1,267

Trademarks relate to the "Taka Jewellery" trademarks acquired as part of the Business Acquisition. The remaining useful life of these trademarks is approximately 8 (2015: 9) years.

The amortisation of trademarks is included in the "Other operating expense" line item in profit and loss.

15. Inventories

	Group	
	2016 $'000	2015 $'000
Balance sheet:		
Finished goods and goods for resale, at costs	64,068	58,412
Raw materials, at costs	32,700	41,456
Less: Provision for obsolete inventories	(65)	(20)
Total inventories at lower of cost and net realisable value	96,703	99,848
Income statement:		
Inventories recognised as an expense in cost of sales	90,079	110,031
Inclusive of the following charge/ (credit):		
- Provision for obsolete inventories	28	20
- Reversal of write-down of inventories	–	(153)

The reversal of write–down of inventories was made when the related inventories were sold above their carrying amounts.

16. Trade and other receivables

	Group		Company	
	2016	**2015**	**2016**	**2015**
	$'000	**$'000**	**$'000**	**$'000**
Non-current				
Rental deposits	1,530	1,131	–	–
Current				
Trade receivables:				
Third parties	45,881	45,987	–	–
Less: Allowance for impairment of receivables				
- Third parties	(864)	(697)	–	–
	45,017	45,290	–	–
Other receivables				
Third parties	352	404	–	–
Subsidiary	–	–	16,129	–
Associated company	–	1,150	–	–
	352	1,554	16,129	–
Add: Deposits	883	1,578	–	–
Total current trade and other receivables	46,252	48,422	16,129	–
Add: Cash and cash equivalents (Note 17)	12,709	8,135	1,600	–
Less: Advances to suppliers	(130)	(344)	–	–
Total loans and receivables	60,361	57,344	17,729	–

Trade receivables are non-interest bearing and are generally on 30 to 210 days terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

Other current receivables (third parties) include advances to suppliers of the Group amounting to $130,000 (2015: $344,000).

The amounts owing from subsidiary and associated company are unsecured, interest-free and repayable on demand.

16. Trade and other receivables (cont'd)

Trade and other receivables denominated in foreign currencies at 31 March are as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
USD	30,991	38,935	–	–
HKD	39	680	–	–
AED	25	614	–	–

Receivables that are past due but not impaired

The Group and Company have trade receivables amounting to $21,057,000 (2015: $17,450,000) and $Nil (2015: $Nil) respectively that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group	
	2016	2015
	$'000	$'000
Past due within 1 month	2,331	1,700
Past due 2-3 months	4,227	7,018
Past due over 3 months	14,499	8,732
	21,057	17,450

Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment is as follows:

	Group	
	2016	2015
	$'000	$'000
Trade receivables - nominal amounts	864	697
Less: Allowance for impairment	(864)	(697)
	–	–
Movement in allowance accounts:		
At 1 April	697	–
Written off against allowance	(70)	–
Charge for the year	856	1,300
Write-back of allowance for doubtful debts	(624)	(847)
Exchange differences	5	244
At 31 March	864	697

17. Cash and bank balances

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Cash at bank	12,254	7,651	1,600	–
Cash on hand	455	484	–	–
	12,709	8,135	1,600	–

Cash and bank balances denominated in foreign currencies as at 31 March are as follows:

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
USD	4,464	4,782	–	–
AED	99	618	–	–
HKD	137	175	–	–

For the purpose of the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following at the end of the reporting period:

	Group	
	2016	2015
	$'000	$'000
Cash and bank balances (as above)	12,709	8,135
Less: Bank overdrafts (Note 18)	–	(1,909)
Cash and cash equivalents per consolidated statement of cash flows	12,709	6,226

18. Bank borrowings

	Group	
	2016	2015
	$'000	$'000
Current		
Bank overdraft (Note 17)	–	1,909
Bills payable	1,927	2,526
Revolving loans	3,900	8,116
Fixed rate term loan	–	703
Floating rate term loans	2,682	1,381
	8,509	14,635
Non-current		
Floating rate term loans	3,047	2,802
	3,047	2,802
Total bank borrowings	11,556	17,437

18. Bank borrowings (cont'd)

Bank overdraft bears interest rate ranging from Nil% (2015: 0.50% to 1.50%) per annum over the prime lending rate of the bank and is repayable on demand.

The bank overdraft includes $Nil (2015: $1,550,000) which is secured by the following:

(a) Joint and several personal guarantee from certain Directors of the Company;

(b) Corporate guarantee from a TJPL;

(c) Charge on all sums in current account and a first fixed and floating charge on all present and future assets of a subsidiary; and

(d) Assignment of insurance policies.

Bills payable bears interest at rates ranging from 2.04% to 3.18% (2015: 1.87% to 2.30%) per annum and are repayable within 70 days to 210 days (2015: 75 days to 210 days).

Revolving loans bear interest at rates ranging from 2.66% to 3.59% (2015: 2.60% to 2.38%) per annum. The revolving loans are due for repayment within the next three months from the end of the reporting period.

Floating rate bank term loans bear interest at rates ranging from 2.70% to 4.98% (2015: 1.70% to 4.69%) per annum. The loans are repayable in 36 to 84 equal monthly instalments from drawdown date. Floating rate term loan amounting to $589,000 (2015: $1,861,000) is secured by first mortgage over leasehold properties (Note 13) owned by the Group.

All bank borrowings are secured by corporate guarantee from the Company.

19. Trade and other payables

	Group		Company	
	2016	**2015**	**2016**	**2015**
	$'000	**$'000**	**$'000**	**$'000**
Trade payables:				
Third parties	43,636	49,654	19	–
Associated company	6,707	9,358	–	–
	50,343	59,012	19	–
Other payables:				
Third parties	45	67	–	–
Accrued expenses	3,268	3,129	187	–
Total trade and other payables	53,656	62,208	206	–
Add: Bank borrowings (Note 18)	11,556	17,437	–	–
Add: Hire purchase creditors (note 25(b))	417	–	–	–
Total financial liabilities at amortised cost	65,629	79,645	206	–

Trade payables are normally on 210-days term (2015:120 days).

19. Trade and other payables (cont'd)

The amount owing to associated company is unsecured, interest-free and repayable on demand.

Trade and other payables denominated in foreign currencies at 31 March are as follows:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	$'000	**$'000**	**$'000**	**$'000**
USD	36,484	43,852	–	–
HKD	547	178	–	–

20. Deferred tax liabilities

	Group		Company	
	2016	**2015**	**2016**	**2015**
	$'000	**$'000**	**$'000**	**$'000**
Deferred tax assets	(170)	(89)	–	–
Deferred tax liabilities	329	320	–	–
Net deferred tax liabilities	159	231	–	–

The analysis of deferred tax is as follows:

Deferred tax liabilities:				
Differences in depreciation	138	81	–	–
Differences in amortisation	191	239	–	–
Deferred tax assets:				
Provisions	(170)	(84)	–	–
Unutilised tax losses	–	(5)	–	–

At the end of the reporting period, the Group and Company has unutilised tax losses of approximately $579,000 (2015: $347,000) and $Nil (2015: $Nil) respectively that are available for offset against future taxable profits of the Group, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these balances is subject to the agreement of the tax authorities and compliance with the relevant provisions of the tax legislation.

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, no deferred tax liability (2015: $Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

21. Provision

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
1 April	269	25	–	–
Additions during the year (Note 13)	21	244	–	–
31 March	290	269	–	–

The amount relates to provision for reinstatement cost arising from retail outlets lease arrangements.

22. Share capital

	Group and Company			
	2016	2015	2016	2015
	Number of shares		$'000	$'000
Issued and fully paid ordinary shares:				
At beginning of year ^	–	8,271,096	17,574	9,003
Share issued for Business Acquisition ^^	–	921,445	–	8,571
Share swap pursuant to the Restructuring Exercise ^ (Note 1)	–	–	(17,574)	–
Issued and paid up shares on incorporation	2	–	#	–
Issue of shares pursuant to the Restructuring Exercise (Note 1)	492,455,998	–	82,076	–
Issued of new shares, PPCF shares and GFC shares, net of expenses (1)	73,050,000	–	16,071	–
Listing expenses taken to equity (2)	–	–	(1,428)	–
At end of year	565,506,000	9,192,541	96,719	17,574

\# Denotes amount less than $1,000

(1) During the year, the Company issued 73,050,000 new ordinary shares pursuant to the initial public offering of the Company at $0.22 per share of which 1,591,000 shares amounted to $350,000 was issued to PrimePartners Corporate Finance Pte. Ltd. ("PPCF") and 682,000 shares amounted to $150,000 was issued to Group Financial Controller ("GFC").

(2) The listing expenses totalled $3,178,000, of which $1,428,000 was taken to equity and $1,750,000 was charged to profit or loss (Note 7).

^ Relates to the number of shares and share capital of Taka Jewellery Pte. Ltd prior to the restructuring and share swap arrangement as described in Note 1.

^^ Relates to the equity issued by Taka Jewellery Pte. Ltd. for its acquisition of Taka Gold Pte. Ltd.

The holder of the ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

23. Dividends

	Group 2016 $'000	Group 2015 $'000
Declared but not paid during the financial year:		
Dividend on ordinary shares:		
- One tier tax exempted interim dividend for $Nil (2015: $0.605) per share declared by TJPL to its then existing shareholders	–	5,004
Proposed but not recognised as a liability as at 31 March:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
- Final exempt (one-tier) dividend for 2016: 0.388 cents (2015: Nil cents) per share	2,194	–

24. Related party transactions

(a) ***Significant related party transactions***

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related party at terms agreed between the parties:

	Group 2016 $'000	Group 2015 $'000
Sales of goods to associated company	1,066	–
Purchases of goods from associated company	13,035	19,462

(b) ***Key management personnel compensation***

The remuneration of directors and key management personnel during the financial year is as follows:

	Group 2016 $'000	Group 2015 $'000
Short-term employment benefits	2,439	2,151
Employer's contributions to Central Provident Fund	101	61
	2,540	2,212

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling activities of the Group. The directors and executive officers of the Group are considered as key management personnel of the Group.

25. Commitments

(a) ***Operating lease commitments - as lessee***

The Group and Company lease retail outlets from non-related parties under non-cancellable operating lease agreements. The leases have an average tenure of 2 to 3 (2015: 2 to 3) years, with escalation clause stipulating yearly fixed rate increment on base rent.

The operating lease expense incurred by the Group is $6,529,000 (2015: $6,810,000) and includes contingent rent expenses of $152,000 (2015: $173,000). Contingent rent is determined based on a percentage of each retail outlet's monthly gross turnover.

The future minimum lease payables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as liabilities, are as follows:

	Group		**Company**	
	2016 $'000	**2015 $'000**	**2016 $'000**	**2015 $'000**
Within 1 year	6,166	4,502	–	–
After 1 year but within 5 years	5,597	3,279	–	–
	11,763	7,781	–	–

(b) ***Finance lease commitments***

The Group has finance leases in the form of hire purchase arrangements for motor vehicles and these leases expire in year 2021.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Group			
	2016 $'000		**2015 $'000**	
	Minimum payments	**Present value of payments**	**Minimum payments**	**Present value of payments**
Within 1 year	98	88	–	–
After 1 year but within 5 years	369	329	–	–
Total minimum lease payments	467	417	–	–
Less: Amounts representing finance charges	(50)	–	–	–
Present value of minimum lease payments	417	417	–	–

26. Contingent liabilities

The Group has provided the following guarantees at year end to banks for credit facilities granted to an associated company.

	Group		Company	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Secured bank loan and credit facilities granted to an associated company	1,868	2,050	–	–

27. Financial risk management objectives and policies

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Directors review and agree policies and procedures for the management of these risks, which are executed by the management. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken for trading and speculative purposes. The Group's overall business strategies, tolerance of risk and general risk management philosophy are determined by directors in accordance with prevailing economic and operating conditions.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) ***Credit risk***

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the balance sheet date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

27. Financial risk management objectives and policies (cont'd)

(a) ***Credit risk (cont'd)***

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the balance sheet date is as follows:

	Group	
	2016	**2015**
	$'000	**$'000**
By Industry		
Jewellery	36,706	40,545
Pawnshop business	8,311	4,745
	45,017	45,290

In 2016, the trade receivables of the Group mainly comprise of one debtor that individually represented 15% (2015: Nil) of trade receivables.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 16.

(b) ***Liquidity risk***

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short term loan facilities.

The Group's liquidity risk management policy is that to maintain sufficient liquid financial assets and short term loan facilities with different banks and business alliances. At the end of the reporting period, approximately 73% (2015: 84%) of the Group's bank borrowings will mature in less than one year based on the carrying amount reflected in the financial statements.

The Group assessed the concentration risk with respect to refinancing its debts and concluded it to be low. Access to sources of funding is sufficiently available and debts maturing within 12 months can be rolled over with existing lenders.

27. Financial risk management objectives and policies (cont'd)

(b) ***Liquidity risk (cont'd)***

Analysis of financial instruments by remaining contractual maturities

The table summarises the maturity profile of the Group's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	2016 $'000				2015 $'000			
Group	**One year or less**	**One to five years**	**Over five years**	**Total**	**One year or less**	**One to five years**	**Over five years**	**Total**
Financial assets								
Cash and bank balances (Note 17)	12,709	–	–	12,709	8,135	–	–	8,135
Trade and other receivables (Note 16)	46,122	1,530	–	47,652	48,078	1,131	–	49,209
Total undiscounted financial assets	58,831	1,530	–	60,361	56,213	1,131	–	57,344
Financial liabilities:								
Trade and other payables (Note 19)	53,656	–	–	53,656	62,208	–	–	62,208
Dividends payables	–	–	–	–	5,004	–	–	5,004
Bank borrowings	8,641	3,119	–	11,760	14,834	2,289	892	18,015
Hire purchase (Note 25b)	98	369	–	467	–	–	–	–
Total undiscounted financial liabilities	62,395	3,488	–	65,883	82,046	2,289	892	85,227
Total net undiscounted financial liabilities	3,564	1,958	–	5,522	25,833	1,158	892	27,883

27. Financial risk management objectives and policies (cont'd)

(b) *Liquidity risk (cont'd)*

Company	2016 $'000 One year or less	2016 $'000 One to five years	2016 $'000 Over five years	2016 $'000 Total	2015 $'000 One year or less	2015 $'000 One to five years	2015 $'000 Over five years	2015 $'000 Total
Financial assets								
Cash and bank balances (Note 17)	1,600	–	–	1,600	–	–	–	–
Trade and other receivables (Note 16)	16,129	–	–	16,129	–	–	–	–
Total undiscounted financial assets	17,729	–	–	17,729	–	–	–	–
Financial liabilities:								
Trade and other payables (Note 19)	206	–	–	206	–	–	–	–
Total undiscounted financial liabilities	206	–	–	206	–	–	–	–
Total net undiscounted financial assets	17,523	–	–	17,523	–	–	–	–

The table below shows the contractual expiry by maturity of the Group and Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	2016 $'000 One year or less	2016 $'000 One to five years	2016 $'000 Over five years	2016 $'000 Total	2015 $'000 One year or less	2015 $'000 One to five years	2015 $'000 Over five years	2015 $'000 Total
Group								
Financial guarantees	1,868	–	–	1,868	2,050	–	–	2,050
Company								
Financial guarantees	–	–	–	–	–	–	–	–

27. Financial risk management objectives and policies (cont'd)

(c) ***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its loans and borrowings. All of the Group's financial assets and liabilities at floating rates are contractually re-priced at intervals of less than 12 months from the end of the reporting period.

The Group's policy is to manage interest costs using a mix of fixed and floating rate debts taking into consideration the funding requirements of the Group.

Sensitivity analysis for interest rate risk

At 31 March 2015 and 2016, if interest rates had been 100 basis points lower/higher with all other variables held constant, the Group's profit net of tax would have been approximately $139,000 and $96,000 higher/lower respectively, arising mainly as a result of lower/higher interest expense on cash at bank and floating rate loans and borrowings.

(d) ***Foreign currency risk***

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group's entities, primarily USD, HKD and AED. The foreign currency in which these transactions are denominated are mainly USD, resulting in the Group's trade and other receivables and trade and other payables balances at the balance sheet date have such exposures.

The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes. As at 31 March 2015 and 2016, such foreign currency balances have been disclosed in Note 17.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the respective exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	Group Profit net of tax	
	2016 $'000	**2015 $'000**
Against SGD		
USD		
- strengthened 1% (2015: 1%)	(9)	(1)
- weakened 1% (2015: 1%)	9	1
HKD		
- strengthened 1% (2015: 1%)	(3)	6
- weakened 1% (2015: 1%)	3	(6)
AED		
- strengthened 1% (2015: 1%)	1	10
- weakened 1% (2015: 1%)	(1)	(10)

28. Fair values of financial instruments

(a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

(i) Cash and bank balances, trade and other receivables, trade and other payables and dividend payables

The fair values of these financial instruments approximate their carrying amounts at the balance sheet date because of their short-term maturity.

(ii) Bank borrowings

The carrying amount of the bank borrowing is an approximation of fair values as it is a floating rate instrument that is subjected to frequent repricing to market interest rates on or near the date of balance sheet.

(b) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not a reasonable approximation of fair value

	Group			
	2016		2015	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Financial assets				
Rental deposits (non-current)	1,530	1,341	1,131	1,046

29. Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group's capital management is dependent on capital requirements of the business or investments. Management would evaluate various options taking into consideration market conditions, nature of investment and the Group's structure. No changes were made in the objectives, policies or processes during the years ended 31 March 2015 and 2016.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. In the current financial year, the Group includes within net debt, bank borrowings and hire purchase less cash and bank balances and excluded trade and other payables to better reflect capital management per industry practice. Capital relates equity attributable to the owners of the Company.

29. Capital management (cont'd)

	Group	
	2016	**2015**
	$'000	**$'000**
Bank borrowings (Note 18)	11,556	17,437
Hire Purchase (Note 25(b)	417	–
Less: Cash and bank balances (Note 17)	(12,709)	(8,135)
Net debt	(736)	9,302
Equity attributable to the owners of the Company	102,064	82,076
Gearing ratio	(1%)	11%

30. Segment information

The Group's businesses are organised and managed as two broad segments grouped based on company's existing management reporting structure and nature of operations. The Group's business segments are as follows:

a) Retail and Pawnbroking

This relates to the sale of jewellery to customers at our retail outlets, promotional events and headquarters. It also includes the pawnshop business and the sale of secondhand jewellery.

b) Exhibitions

This relates to the sale of jewellery through the Group's participation in international jewellery exhibitions and trade fairs.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise dividends payable, income tax payable and deferred tax.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

30. Segment information (cont'd)

$'000	Retail & Pawnbroking	Exhibitions	Unallocated	Notes	Total
	As at 31 March 2016				
Segment revenue:					
Sales to external customers	73,268	54,555	–		127,823
Results:					
Segment results	3,537	9,748	–		13,285
Unallocated expenses (net)	–	–	(6,571)	**A**	(6,571)
Finance costs	–	–	(645)		(645)
Share of profit from associated company	100	–	–		100
Profit before tax	3,637	9,748	(7,216)		6,169
Income tax expense	–	–	(698)		(698)
Profit after tax	3,637	9,748	(7,914)		5,471
Segment assets & liabilities:					
Segment assets	83,589	68,166	17,734	**B**	169,489
Segment liabilities	41,956	23,757	1,712	**C**	67,425
Other segmental information:					
Depreciation	591	210	–		801
Capital expenditure	1,052	421	–		1,473
Investment in associated company	5,250	–	–		5,250
Non-current assets	10,859	2,817	–		13,676

30. Segment information (cont'd)

	As at 31 March 2015				
$'000	**Retail & Pawnbroking**	**Exhibitions**	**Unallocated**	**Notes**	**Total**
Segment revenue:					
Sales to external customers	76,411	77,573	–		153,984
Results:					
Segment results	6,915	13,381	–		20,296
Unallocated expenses (net)	–	–	(8,355)	**A**	(8,355)
Finance costs	–	–	(405)		(405)
Share of profit from associated company	1,143	–	–		1,143
Profit before tax	8,058	13,381	(8,760)		12,679
Income tax expense	–	–	(2,016)		(2,016)
Profit after tax	8,058	13,381	(10,776)		10,663
Segment assets & liabilities:					
Segment asset	78,204	91,565	–	**B**	169,769
Segment liabilities	41,317	38,597	7,779	**C**	87,693
Other segmental information:					
Depreciation	860	122	–		982
Capital expenditure	523	205	–		728
Investment in associated company	5,193	–	–		5,193
Non-current assets	9,867	3,180	–		13,047

30. Segment information (cont'd)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Unallocated corporate expenses items amounting to $6,571,000 (2015: $8,355,000) mainly relates to distribution costs, administrative expenses and other operating expenses.

B Unallocated segment assets pertains to unallocated corporate assets items in the Company.

C The following unallocated liabilities items are added from segment liabilities to arrive at total liabilities as follows:

	Group	
	2016	**2015**
	$'000	**$'000**
Dividends payable	–	5,004
Income tax payable	1,347	2,544
Deferred tax liabilities	159	231
Unallocated corporate trade and other payables	206	–
	1,712	7,779

Geographical segment

The above primary segment information reflects the management reporting structure and nature of operations wherein the Group's Retail and Pawnbroking business are carried out locally in Singapore and exhibitions are conducted overseas. The customers of Exhibition sales are primarily overseas customers, while customers of Retail and Pawnbroking sales are a mix of local and overseas customers. Accordingly, further segmentation by geographical market is not meaningful.

Non-current assets mainly relate to investment in associated company, fixed assets, trademarks and non-current other receivables and are substantially located in Singapore.

Information on major customers

The Group has no single customer accounting for more than 10% of the turnover in financial year ended 31 March 2015 and 2016.

31. Events occurring after the reporting period

Subsequent to year end, the Company completed two share buy-back exercises and had bought back a total of 400,000 ordinary shares for total consideration of $48,800.

32. Authorisation of financial statements

The financial statements for the year ended 31 March 2016 were authorised for issue in accordance with a resolution of the Directors on 22 June 2016.

As at 15 June 2016

Number of Issued Shares (including Treasury Shares)	:	565,506,000
Number of Issued Shares (excluding Treasury Shares)	:	565,106,000
Number/*Percentage of Treasury Shares	:	400,000 / 0.07%
Class of Shares	:	Ordinary
Voting Rights (excluding Treasury Shares)	:	One vote per share

STATISTICS OF SHAREHOLDINGS

Size of Shareholding	Number of Shareholders	%	Number of Shares	%
1 - 99	0	0.00	0	0.00
100 - 1,000	9	4.05	4,900	0.00
1,001 - 10,000	38	17.12	278,800	0.05
10,001 - 1,000,000	156	70.27	26,571,600	4.70
1,000,001 and above	19	8.56	538,250,700	95.25
	222	100.00	565,106,000	100.00

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
Teo Boon Leng	171,359,753	30.32	0	0.00
Ang Kah Leong	157,884,355	27.94	0	0.00
Lee Sui Hee	55,733,478	9.86	0	0.00
Ample China International Limited (1)	28,275,000	5.0	0	0.00
Lim Choon Hian (1)	0	0.0	28,275,000	5.0

Note:

(1) Mr Lim Choon Hian is the sole shareholder of Ample China International Limited and accordingly deemed to be interested in the shares.

As at 15 June 2016

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	Number of Shares	%
1.	TEO BOON LENG	171,359,753	30.32
2.	ANG KAH LEONG	157,884,355	27.94
3.	LEE SUI HEE	55,733,478	9.86
4.	UOB KAY HIAN PRIVATE LIMITED	28,305,000	5.01
5.	CHEW TIAM POH	25,239,165	4.47
6.	SIM CHOON BENG	24,324,615	4.30
7.	SIM CHOON LAM	22,673,784	4.01
8.	MAYBANK KIM ENG SECURITIES PTE. LTD.	8,305,000	1.47
9.	OCBC SECURITIES PRIVATE LIMITED	6,809,100	1.20
10.	LEE KWANG HWEE	6,700,000	1.19
11.	CHUA KWEE SIN	5,400,000	0.96
12.	NG PUAY HOON	4,957,774	0.88
13.	CIMB SECURITIES (SINGAPORE) PTE. LTD.	4,617,500	0.82
14.	MEHTA VIMESH PIYUSH	3,956,300	0.70
15.	ONG KAH LAM	3,233,400	0.57
16.	FOK CHEE CHEONG @ FOK CHEE CHIONG	2,669,800	0.47
17.	TAN SIM HUI JULIA (CHEN XINHUI)	2,559,403	0.45
18.	KOH PENG HENG	2,287,273	0.40
19.	LIM YONG LUY	1,235,000	0.22
20.	KHOO THOMAS CLIVE	1,000,000	0.18

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on information available to the Company as at 15 June 2016, approximately 26.87% of the Company's issued ordinary shares excluding treasury shares were held by the public. Accordingly, the Company has complied to comply with Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalist.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of TLV HOLDINGS LIMITED ("the Company") will be held at 3, Kaki Bukit Place, Eunos Techpark, Singapore 416181 on Friday, 29 July 2016 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 March 2016 together with the Auditors' Report thereon. **(Resolution 1)**

2. To declare final dividend of 0.388 Singapore cents one-tier tax exempt dividend per ordinary share for the financial year ended 31 March 2016. **(Resolution 2)**

3. To re-elect the following Directors of the Company retiring pursuant to Article 114 of the Constitution of the Company:

   Mr Teo Boon Leng **(Resolution 3)**
   Mr Lu King Seng **(Resolution 4)**

   Mr Teo Boon Leng will, upon re-election as Director of the Company, remain as the Managing Director of the Company.

   Mr Lu King Seng will, upon re-election as Director of the Company, remain as Chairman of the Audit Committee and member of the Nominating Committee and Remuneration Committee and the Board considers Mr Lu King Seng to be independent for the purpose of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

4. To approve the payment of Directors' fees of S$125,278 for the financial year ended 31 March 2016. **(Resolution 5)**

5. To approve Directors' fees of S$205,000 for the financial year from 1 April 2016 to 31 March 2017 to be paid quarterly in arrears. **(Resolution 6)**

6. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **Authority to allot and issue shares**

   That pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of Section B of the Singapore Exchange Securities Trading Limited Listing Manual: Rules of Catalist (the "Catalist Rules"), the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities;

(b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution of the Company; and

(4) unless revoked or varied by ordinary resolution of Shareholders in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (i)] **(Resolution 8)**

9. **Renewal of Share Buyback Mandate**

That for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Purchase Price as defined in Section 2.3.4 of the Company's letter to shareholders in relation to the proposed renewal of the share buyback mandate (the **"Letter"**) dated 14 July 2016, in accordance with the Terms of the Share Buyback Mandate set out in the Letter. This mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (ii)] **(Resolution 9)**

By Order of the Board

Wong Yoen Har
Company Secretary

Singapore, 14 July 2016

Explanatory Notes:

(i) The Ordinary Resolution 8 in item 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 50% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(ii) The Ordinary Resolution 9 proposed in item 9 above, if passed, will empower the Directors of the Company effective until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price as defined in Section 2.3.4 of the Letter. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial statements of the Group for the financial year ended 31 March 2016 are set out in greater detail in Section 2.8 of the Letter.

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (the "AGM") is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 3, Kaki Bukit Place, Eunos Techpark, Singapore 416181 not less than forty-eight (48) hours before the time appointed for holding the AGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

TLV HOLDINGS LIMITED

Company Registration No. 201526542C
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. A relevant intermediary may appoint more than two proxies to attend the annual general meeting and vote (please see note 4 for the definition of "relevant intermediary").
2. For investors who have used their CPF monies to buy the Company's shares, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
3. This Proxy Form is not valid for use by CPF investors and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, ______________________________ (full name in capital letters) ______________________________ NRIC No./Passport No./Company Registration No.

Of ____ (full address)

being a member/members of TLV HOLDINGS LIMITED (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held on Friday, 29 July 2016 at 10.00 a.m. at 3, Kaki Bukit Place, Eunos Techpark, Singapore 416181 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

The resolutions put to vote at the AGM shall be decided by poll.

No.	Resolutions relating to:	Number of Votes For[(1)]	Number of Votes Against[(1)]
1	Directors' Statement and Audited Financial Statements together with the Auditors' Report for the financial year ended 31 March 2016		
2	Declaration of final dividend of 0.388 Singapore cents one-tier tax exempt dividend per ordinary share		
3	Re-election of Mr Teo Boon Leng as Director		
4	Re-election of Mr Lu King Seng as Director		
5	Approval of Directors' fees amounting to S$125,278 for financial year ended 31 March 2016		
6	Approval of Directors' fees amounting to S$205,000 for financial year from 1 April 2016 to 31 March 2017 to be paid quarterly in arrears		
7	Re-appointment of Messrs Ernst & Young LLP as Auditors and to authorise Directors to fix their remuneration.		
8	Authority to allot and issue shares		
9	The Proposed Renewal of Share Buyback Mandate		

(1) If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ______ day of ______________ 2016

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

*Delete where inapplicable

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member appoints more than one proxy, the member must specify the proportion of shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry one hundred per cent (100%) of the shareholdings of his appointer and the proxy whose name appears after shall be deemed to be appointed in the alternate.

4. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "Relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. Subject to Note (9) below, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 3, Kaki Bukit Place, Eunos Techpark, Singapore 416181 not less than 48 hours before the time appointed for the Meeting.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

9. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 July 2016.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

TLV HOLDINGS LIMITED

(Company Registration No.: 201526542C)

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