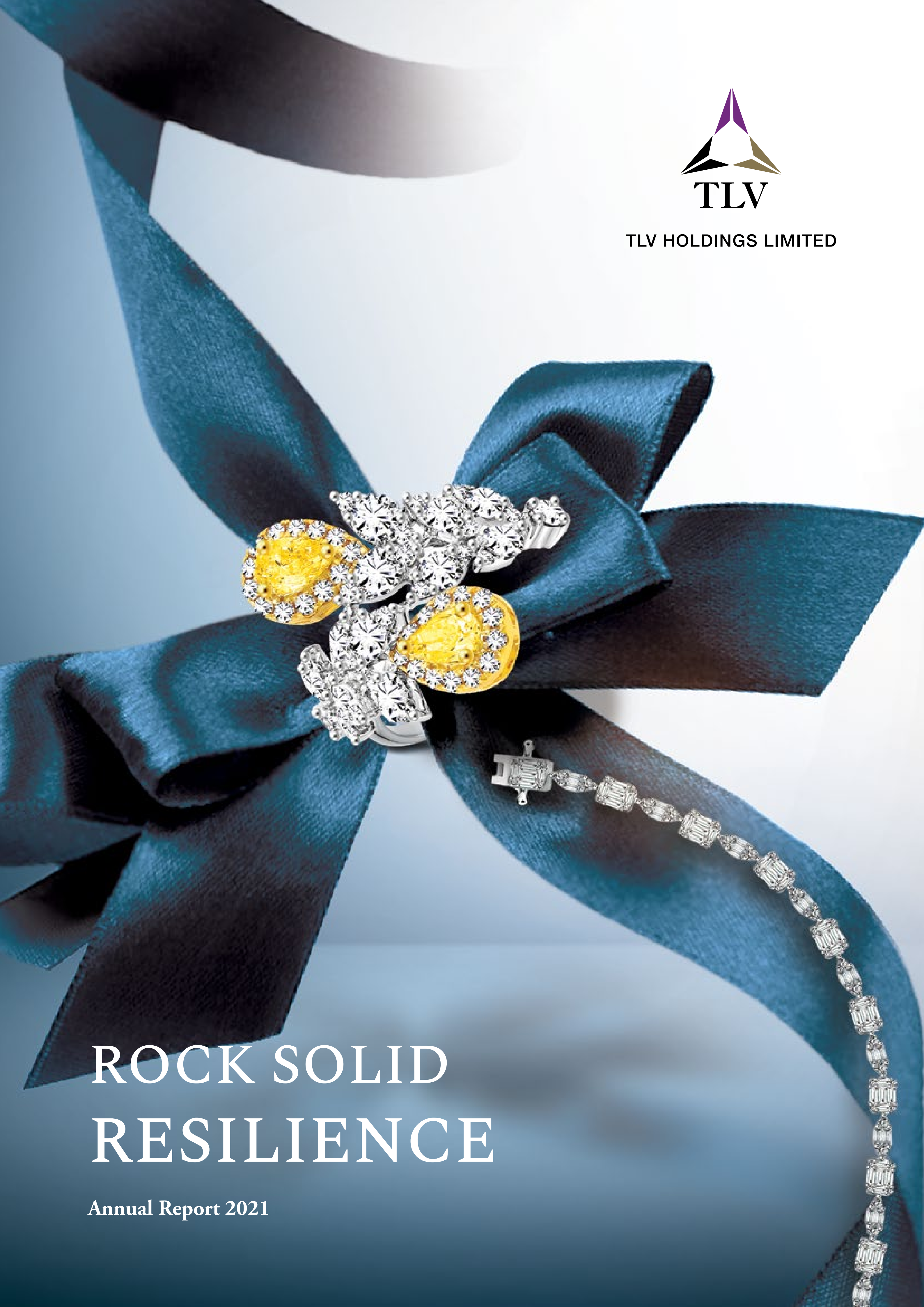
TLV

TLV HOLDINGS LIMITED



ROCK SOLID RESILIENCE

Annual Report 2021

CONTENTS

01 Corporate Profile

02 Letter to Shareholders

05 Financial Highlights

06 Financial Review

08 Board of Directors

10 Executive Officers

11 Corporate Information

This annual report has been reviewed by the Company's Sponsor. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinion made or reports contained in this document.

The contact person for the Sponsor is Mr. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

CORPORATE PROFILE

With a well-established track record of over 20 years, TLV Holdings Limited (the "**TLV Holdings**" or the "**Company**" and together with its subsidiaries, the "**Group**") is an established jeweller that designs, manufactures and sells jewellery in both the local and international markets on a retail and wholesale basis.

In Singapore, the Group has a retail network of 19 outlets strategically located at various heartland districts, central and suburban malls. Our brands include Taka Jewellery, an established household brand that sells quality jewellery at competitive prices, and Top Cash, which is in the pawnbroking business and trading and retailing of used gold and pre-owned jewellery.

The Group sells to the international market through active participation in jewellery exhibitions since 2003. Our jewelleries are sold to wholesale customers in the America, Europe, Asia, Africa and Australia.

OUR BUSINESS

JEWELLERY

The Group is principally engaged in the sale of jewellery on a retail basis in Singapore under the Taka Jewellery brand as well as on a wholesale basis to global markets through active participation in international jewellery exhibitions.

Retail

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

Taka Jewellery has 15 retail outlets located at various heartland districts and suburban malls throughout Singapore.

Exhibitions

The Group actively participates in jewellery exhibitions around the world, selling jewellery on a wholesale basis to customers from the America, Europe, Asia, Africa and Australia. We participate in exhibitions under our brands Taka Jewellery as well as Voi, which was launched in 2007 to engage in the marketing and sale of a contemporary line of jewellery.

PAWNBROKING

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

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

LETTERS TO SHAREHOLDERS

Dear Shareholders

THE YEAR IN REVIEW

For the 12-month ended 30 June 2021 ("**FY2021**"), the Group made a notable turnaround in its earnings to S$2.4 million from a net loss of S$0.4 million for the 15-month financial period from 1 April 2019 to 30 June 2020 ("**FP2020**"). This was largely attributable to tighter cost control measures and lower finance costs due to a decline in the utilisation of bank credit facilities and reduction in lending rates.

Year-on-year ("**y-o-y**"), the Group's revenue slid 15% to S$96.8 million in FY2021 compared to S$114.1 million in FP2020, largely on lower contribution from the wholesale and exhibition business segment which declined 48% y-o-y to S$25.6 million.

As at 30 June 2021, the Group maintained a healthy balance sheet with net assets of S$104.6 million compared to S$102.3 million and a y-o-y increase in cash and bank balances to S$15.2 million compared to S$13.7 million a year ago. Net asset value per share remained stable at 18.71 Singapore cents.

Wholesale and Exhibition Business

The onset of the coronavirus outbreak in early 2020 brought on global travel restrictions and cancellations of some of the major and large-scale international jewellery exhibitions which continued towards the end of the year. As one of the dominant players in these exhibitions and fairs, where we sell our jewellery on a wholesale basis to the international markets, the cancellation of these events has impacted the Group's wholesale and exhibition business segment, which dipped 48% y-o-y to S$25.6 million.

Nevertheless, to stay connected with our wholesale customers from the America, Europe, Asia, Africa and Australia, our team has actively engaged them via various sales channels such as regular virtual meetings to showcase our jewellery and promotions, as well as promoting our jewellery through digital platforms such as virtual exhibitions of jewellery and dedicated website for wholesale business.

Retail Business

Domestically, our retail business segment managed a strong showing during the year with a 10% increase in sales to S$68.2 million compared to S$62.0 million in FP2020. Retail revenue grew following the easing of Singapore's 'Circuit Breaker' in phases from June 2020, which led to a gradual recovery in footfall to the malls where most of our Taka Jewellery retail outlets are located. The growth was however impacted by the phase 2 heightened alert measures implemented from 16 May to 13 June 2021, where dining-in restrictions at food and beverage establishments resulted in lower mall footfall.

As the current operating environment remains volatile, the Group had strategically halted all capital expenditure, expansion of retail outlets and non-essential expenditure to effectively manage costs.

We have also been actively pushing out promotional activities including the new Treasures Reward Programme designed to provide members and loyal customers a holistic lifestyle experience from shopping to rewarding, invitation to exclusive sales events and special rewards for birthday month.

To complement our outlet sales, we also continue to maintain our digital initiatives with exclusive live webcast to showcase our products, promoting our jewellery through social media platforms as well as selling them through online shopping channels.

Financial Services

Our financial service business segment revenue had remained steady during the year at S$3.0 million compared to S$3.1 million of the 15-month period a year ago. This was largely due to higher interest income earned from both our pawnbroking business and moneylending business.

LETTERS TO SHAREHOLDERS

PROPOSED BUSINESS DIVERSIFICATION

Over the years, the Group has remained strategic and prudent with our expansion plans. We are focused on growing our existing core business as well as constantly exploring suitable opportunities that complement and add value to our existing business.

Leveraging on our knowledge in extending loans to individuals through our pawnbroking business, which involves accepting gold, platinum and valuable articles such as precious stones and branded jewellery as collaterals for loans and earning interests from these loans, the Group made a strategic decision to diversify the Group's existing core business activities to include money lending business as a separate core business activity. The money lending business relates to the provision of secured term loan facilities to corporations.

In conjunction with the proposed new business diversification, the Group is also seeking approval from Shareholders to change its listing company's name, TLV Holdings Limited, to Taka Jewellery Holdings Limited, to better align with its "Taka Jewellery" brand, which has a strong brand equity established over the last two decades. The name change will better represent the Group's corporate identity and business strategy, increase shareholders' awareness as well as allow the public and business partners to better identify with the Group.

OUTLOOK

During the year, the protracted pandemic and gold price volatility have caused continuous disruptions to the Group's operating environment and business activities. However, as the world gradually adapts and adjusts to a new way of life, and together with the roll-out of vaccination programmes worldwide and easing of travel restrictions, we are cautiously optimistic of the gradual recovery of the business environment and consumer demand.

To maintain our competitive edge and sustain long term growth, we will continue to focus on strengthening our core competencies, as well as constantly innovate and transform to keep up with current trends and entrench our market position as the key player in the jewellery industry in both the international and domestic arena. The diversification into the moneylending business will also provide new income stream for the Group and bolster its long term growth to enhance shareholders' value.

Going forward, the Group will also continue to be strategic with its business plans and stay vigilant in monitoring liquidity, cost management and credit exposure to maintain its financial position and boost performance.

APPRECIATION

In closing, we would like to extend our sincere gratitude to our fellow directors for their counsel and guidance. To the management team and staff, thank you for staying united and working together to sustain and grow the business during such unprecedented times. To our business partners, customers and valued shareholders, thank you for your unwavering faith in the Group and continued support. We will endeavour to continue to grow the Group and maximise returns for all our stakeholders.

Goh Yeow Tin
Non-Executive Chairman and Independent Director

Teo Boon Leng
Managing Director

VISION

To be a premier jeweller offering a diverse, yet discerning selection of exquisitely-crafted jewellery pieces available to all. We endeavour to further expand our geographical reach and brand equity across local and international markets alike; empowering individuals and their communities with value-rich products at fair, competitive prices.

VALUES

From precious metals and stones to jewels, all of our products are designed, manufactured and quality-accessed according to rigorous industry standards to ensure utmost customer satisfaction. Beyond advocating affordable luxury across Singapore and internationally, we aim to:

Leave no consumer out
No matter the budget or preference, our ultimate goal is to ensure there is 'something for everyone' with our ever-growing portfolio of products and service offerings, allowing our customers to receive the best value for their dollar.

Create a lasting legacy
Our active participation in jewellery exhibitions across the world has garnered widespread recognition of our Taka Jewellery and Voi brands, along with their respective signature jewellery collections. We seek to take this success to the next level with an emphasis on product quality and brand excellence, coupled with service from the heart.

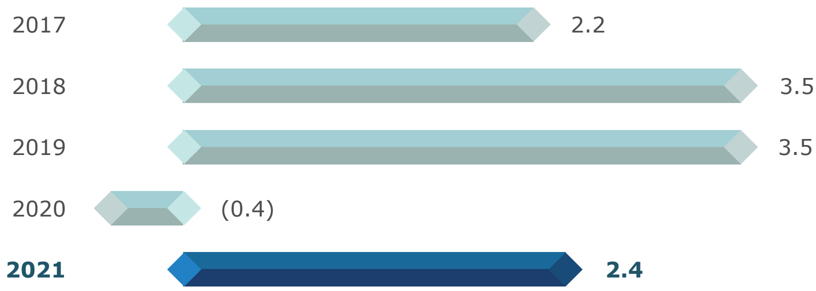
Provide an inexhaustible wealth of options
Providing a vibrant mix of classic, contemporary and fashion-forward styles are key to staying relevant in today's competitive and ever evolving retail landscape. A broad variety of high-quality jewellery has always been, and will continue to be, the main focus of our product offerings across all of our brands and businesses.

FINANCIAL HIGHLIGHTS

REVENUE (S$'million)

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

NET PROFIT / (LOSS) (S$'million)



FINANCIAL REVIEW

FINANCIAL PERFORMANCE

Income Statement	Group	
	FY2021 1.7.2020 to 30.6.2021 S$'000	FP2020* 1.4.2019 to 30.6.2020 S$'000
Revenue	96,833	114,121
Cost of sales	(74,892)	(84,286)
Gross Profit	21,941	29,835
Other operating income	1,827	2,215
Distribution costs	(15,018)	(20,918)
Administrative expenses	(4,928)	(6,411)
Other operating income/(expenses)	282	(3,556)
Share of (loss)/profit of associates	(281)	134
Finance cost	(900)	(1,885)
Profit/(loss) before tax	2,923	(586)
Income tax (expense)/credit	(506)	193
Profit/(loss) after tax	2,417	(393)

* Due to the change in the Group's financial year from 31 March to 30 June in 2020, the financial statements for financial year 2021 covered a 12-month period from 1 July 2020 to 30 June 2021 versus a 15-month period for financial year 2020 from 1 April 2019 to 30 June 2020 ("**FP2020**").

Revenue

The Group registered a 15% decline in revenue for FY2021 to S$96.8 million compared to S$114.1 million in FP2020, largely due to lower contribution from the wholesale and exhibition business segment.

The challenging business environment brought on by the pandemic and continued restrictions on international travel resulted in the Group's wholesale and exhibition business sliding 48% for the year to S$25.6 million compared to S$49.0 million a year ago.

The Group's retail business registered a healthy 10% growth to S$68.2 million in FY2021 from S$62.0 million in FP2020 due to the easing of circuit breaker after June 2020 and the gradual recovery of shopper traffic. However, the return of Phase 2 (Heightened Alert) from 16 May 2021 to 13 June 2021 restricting social gatherings and dining-in at food and beverage outlets have impacted the Group's retail business due to lower footfall in malls.

Revenue for financial services business segment remained stable at S$3.0 million with higher interest income earned from the pawn broking and money lending business in the 12-month period of FY2021 compared to 15-month period in FP2020.

Gross Profit and Gross Profit Margin

Gross profit for FY2021 declined 26% to S$21.9 million compared to S$29.8 million in FP2020, while gross profit margin slid to 22.7% in FY2021 from 26.1% in FP2020 due to different product sales mix.

Expenses

Distribution costs declined 28% to S$15.0 million in FY2021 on lower staff costs and rental expenses, while administrative expenses also saw a 23% dip to S$4.9 million in FY20201 due to lower staff costs.

Other operating expenses decreased by S$3.8 million in FY2021, largely attributable to the reversal of allowance for impairment of trade receivables during the year compared to a net allowance for impairment of trade receivables of S$2.9 million in FP2020 due to the Group taking a cautious approach in assessing the credit risks and providing for the necessary impairments as part of the COVID-19 exposure assessment.

FINANCIAL REVIEW

Net Profit

In FY2021, the Group recovered from a net loss of S$0.4 million in FP2020 to a net profit of S$2.4 million.

BALANCE SHEET

The Group registered a marginal increase in net assets to S$104.6 million as at 30 June 2021 compared to S$102.3 million as at 30 June 2020.

Non-current assets decreased 21% to S$21.9 million as at 30 June 2021 from S$27.8 million as at 30 June 2020, mainly due to the S$4.4 million depreciation of right-of-use assets comprising mostly outlet leases.

Current assets declined 11% to S$141.3 million as at 30 June 2021 compared to S$158.0 million of the previous year. This was mainly due to a decrease in inventories of S$19.4 million as a result of lower level of stock holdings with the resumption of retail sales in Phase 2 post circuit breaker, and a reduction in trade and other receivables of S$0.9 million from the collection of the exhibition receivables.

Lower short term bank borrowings and bullion loans of S$10.7 million as well as the reduction in trade and other payables of S$9.2 million corresponding to the decrease in purchases in FY2021, led to current liabilities declining 32% to S$44.3 million as at 30 June 2021 from S$65.2 million as at 30 June 2020.

Non-current liabilities slid 22% to S$14.2 million as at 30 June 2021 from S$18.3 million as at 30 June 2020 due to lower bank borrowings of S$1.2 million and lease liabilities of S$2.9 million for outlets.

The Group's working capital increased to S$97.0 million as at 30 June 2021 compared to S$92.8 million as at 30 June 2020.

CASH FLOW

Statement of Cash Flows	Group	
	FY2021 S$'000	**FP2020 S$'000**
Net cash generated from operating activities	17,880	2,385
Net cash used in investing activities	(88)	(1,533)
Net cash flows (used in)/generated from financing activities	(16,100)	365
Cash and cash equivalents at end of financial year/period	12,746	11,157

In FY2021, the Group generated net cash from operating activities of S$17.9 million compared to S$2.4 million in FP2020. This was a net result of operating cash flow before working capital changes of S$9.0 million, adjusted for working capital inflow of S$10.0 million, interest paid of S$0.9 million and net income tax paid of S$0.2 million.

The net working capital inflow of S$10.0 million was mainly due to (a) a decrease in trade and other payables of S$7.8 million; (b) an increase in trade and other receivables and prepayment of S$1.6 million; and (c) a decrease in inventories of S$19.4 million.

Net cash used in financing activities amounted to S$16.1 million in FY2021 due to net repayment of bank borrowings and bullion loans of S$11.7 million and the payment of lease liabilities of S$4.4 million.

The Group's cash and cash equivalents increased to S$12.7 million as at 30 June 2021 from S$11.2 million as at 30 June 2020.

BOARD OF DIRECTORS

Goh Yeow Tin
Non-Executive Chairman and Independent Director
Re-appointed on 23 October 2020

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 KTMG Limited.

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 Mechanical Engineering (Honours) 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
Re-appointed on 23 October 2020

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, they set 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 also spearheaded the Group's growth, leading the expansion of its retail, wholesale and pawnbroking 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. Prior to establishing the Group, 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.

BOARD OF DIRECTORS

Ang Kah Leong
Executive Director
Re-appointed on 26 July 2019

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, they set 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, wholesale and pawnbroking 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
Re-appointed on 26 July 2019

Mr Lu King Seng, Independent Director of TLV Holdings, was appointed to the Board on 21 August 2015. He has more than 25 years of commercial and audit experience in London, Singapore and Malaysia with Deloitte & Touche, Arthur Andersen, PriceWaterhouse and KPMG where he led audit engagements in various companies, assisting companies with, *inter alia*, initial public offerings and due diligence reviews in connection with proposed mergers 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 and the Stock Exchange of Hong Kong Limited.

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.

Chua Kern
Independent Director
Re-appointed on 27 July 2018

Mr Chua Kern, Independent Director of TLV Holdings, was appointed to the Board on 21 August 2015. He has more than 20 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 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.

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 exhibition 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.

Tan Yee Ming
Group Financial Controller

Ms Tan Yee Ming joined the Group in 2018 and is currently its Group Financial Controller. She oversees the financial and accounting management and reporting functions of the Group. Ms Tan has over 10 years of experience in audit, financial and accounting management, having served four years as an auditor with Deloitte & Touche, five years with a SGX-listed manufacturing group and subsequently with a Norwegian group of shipping companies.

Ms Tan graduated with a Bachelor of Accountancy from Nanyang Technological University. She is also a non-practising member of the Institute of Singapore Chartered Accountants since 2003.

CORPORATE INFORMATION

REGISTERED OFFICE
3 Kaki Bukit Place
Eunos Techpark
Singapore 416181
Tel: (65) 6746 8777
Fax: (65) 6746 8323
Email: enquiry@tlvholdings.com.sg

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
(Date of appointment: Since financial year ended 30 June 2020)

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
10 Marina Boulevard #48-01
Marina Bay Financial Centre Tower 2
Singapore 018983

Maybank Singapore Limited
2 Battery Road
Maybank Tower
Singapore 049907

WEBSITE
www.tlvholdings.com.sg

CONTENTS

13	Corporate Governance Statement
42	Director’s Statement
44	Independent Auditor’s Report
48	Consolidated Statement of Comprehensive Income
49	Balance Sheet
50	Statement of Changes in Equity
51	Consolidated Cash Flow Statement
52	Notes to the Financial Statements
93	Statistics of Shareholdings
95	Notice of Annual General Meeting
	Proxy Form

CORPORATE GOVERNANCE REPORT

TLV Holdings Limited (the "**Company**", and together with its subsidiary, the "**Group**"), views corporate accountability, transparency and sustainability as strategic tools for enhancing long-term shareholders' value and are committed to observing high standards of corporate governance.

On 6 August 2018, the Monetary Authority of Singapore issued a revised Code of Corporate Governance 2018 (the "**2018 Code**") and accompanying practice guidance ("**PG**") which aims to encourage board renewal, strengthen director independence and enhance board diversity, which will initially take effect for annual reports covering financial years commencing from 1 January 2019.

This report describes the Company's corporate governance practices that were in place throughout financial year ended 30 June 2021 ("**FY2021**"), with specific reference made to the 2018 Code and its related PG as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in January 2015 (the "**Guide**"). The Company has complied with the principles and guidelines as set out in the 2018 Code and the Guide, where applicable. Appropriate explanations and/or alternative corporate governance practices adopted by the Company have been provided in the relevant sections below where there are deviations from the 2018 Code and/or the Guide.

BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1 of the 2018 Code:

Directors are fiduciaries who act objectively in the best interests of the Company

As at the date of this report, the Board of Directors (the "**Board**") is made up of the following members:

- 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

The Board sets the tone for the Group in respect of ethnics, values and desired organisational structure, and ensure proper accountability within the Group.

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 Align the interests of the Board and Management with that of shareholders and balance the interest of all stakeholders; and

1.5 Ensure compliance with all laws and regulations as may be relevant to the business.

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 adopted a Code of Business Conduct and Ethics for Directors which establishes the fundamental principles of professional and ethical conduct expected of the Directors in the performance of their duties. The Company has in place practices to address potential conflicts of interests. All Directors are required to notify the Company promptly of all conflicts of interest as soon as practicable as well as when required or during the Board Meeting as required. When an actual, potential and perceived conflict of interest arises, the concerned Director must recuse himself from all discussions and decisions involving the matter and abstain from voting on resolutions regarding the matter, unless the Board is of the opinion that the participation of the conflicted Director is of the best interest to the Company.

Provision 1.2 of the 2018 Code:

Directors' duties, induction, training and development

All Directors are aware of their fiduciary duties and are committed to exercising due care and diligence in making their decisions and to objectively discharge their duties and responsibilities in the best interest of the Company. Aside from their statutory duties, the key roles of different classes of Directors are set out below:

- Executive Directors are members of the Management who are involved in the day-to-day operations of the Group's business. They work closely with the Independent Directors on the long-term sustainability and success of the Group. They provide insights and recommendations on the Group's operations at the Board and Board Committee meetings.

- Independent Directors do not participate in the day-to-day operations of the Group's business and are deemed independent by the Board. They provide independent and objective advice and insights to the Board and the Management. They constructively challenge the Management on its decisions and contribute to the development of the Group's strategic goals and policies. They participate in the review of the Management's performance in achieving the strategic goals as well as the appointment, assessment and remuneration of the Executive Directors and key personnel.

The Executive Directors are appointed by way of service agreements while the Independent Directors are appointed by way of letters of appointment. The duties and responsibilities of Directors are clearly set out in these service agreements and letters of appointment.

All new Directors would be briefed on the Group's industry, business, organisation structure, and strategic plans and objectives. Relevant policies and procedural guidelines would also be provided. Orientation for new Directors includes visits to the Group's key premises to familiarise themselves with the operation and meet with key management personnel.

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 Board values on-going professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on and contribute to the Board. To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment.

The Company will conduct briefings and orientation programs 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 of a listed company. In addition, as required under the SGX-ST Listing Manual: Section B: Rules of Catalist ("**Catalist Rules**"), all new first-time Directors (who have no prior experience as a director in a listed on the SGX-ST) are also required to attend appropriate SGX-SID Listed Company Director (LCD) Programmes offered by the Singapore Institute of Directors ("**SID**") within 1 year from the date of his/her appointment.

During FY2021, the Directors were provided with updates on changes in laws and regulations, including the Companies Act, Catalist Rules and the Code of Corporate Governance, which are relevant to the Group. The external auditors regularly update the Audit Committee and the Board on the developments in the Singapore Financial Reporting Standards (International) ("**SFRS(I)**") which are applicable to the Group. Changes to regulations and accounting standards are monitored closely by the Management. The Company Secretary also briefed the Board on regulatory changes, such as changes to the Companies Act, Code and/or the Catalist Rules. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Group during Board and Board Committee meetings.

During FY2021, certain Directors had attended the following seminars or events:

- Corporate Governance Digital Symposium 2020: Board Diversity by The Next Lap by Securities Investors Association (Singapore)
- Directors' Responsibilities and Climate Change under Singapore Law by The Law Society of Singapore
- Anti-Money Laundering / Combating The Financing of Terrorism Course by Institute of Singapore Chartered Accountants
- Directors' Duties & the Relationship with Ethics by Institute of Singapore Chartered Accountants
- Mergers and Acquisitions – Master Class by Institute of Singapore Chartered Accountants
- ISCA Budget Update 2021 by Institute of Singapore Chartered Accountants
- Technical Update on IFRS 2021 by Institute of Singapore Chartered Accountants
- Technology Update by Accenture Technology Group

The Nominating Committee evaluates the individual Directors' competencies and recommends to the Board on training and development programmes for each Director. The Directors are also encouraged to attend relevant seminar and training programmes to enhance their skills and knowledge, the expenses of which will be borne by the Company.

Provision 1.3 of the 2018 Code:

Matters requiring Board's approval

Although the day-to-day management of the Company is delegated to the Executive Directors, there are matters which are required to be decided by the Board as a whole.

Matters and transactions that require the Board's approval include, amongst others, the following:

- Changes to the Group's capital structure and corporate structure;
- Material investments, acquisitions and disposals of assets;
- Material capital expenditure;
- Material Group policies;
- Recommendation/declaration of dividend;
- Annual budgets, financial statements (interim and full year), annual reports, circulars to shareholders and announcements to be submitted to the SGX-ST; and
- Appointment or removal of Directors, company secretary and Executive Officers of the Company.

Provision 1.4 of the 2018 Code:

Board Committees

Certain important matters could be subject to the recommendation by the respective Board Committees. Matters which the Board considers suitable for delegation to a Board Committee are contained in the terms of reference of the respective Board Committees.

Board Committees, namely Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") have been established to assist the Board. Each Board Committee has its own terms of reference, setting out the composition, authorities and duties, which are approved by the Board. All Board Committees are chaired by an Independent Director. While these Board Committees are delegated with certain responsibilities, the responsibility for decisions relating to matters under the purview of the Board Committees ultimately lies with the entire Board.

The composition of the Board Committees are as follows:-

Directors	Board membership	Audit committee[1]	Nominating committee[1]	Remuneration committee[1]
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

Note:

(1) *The AC, NC and RC each comprises of 3 members, of whom all are independent and non-executive Directors.*

The terms of reference of the respective Board Committees, which are reviewed by the Board on a regular basis, as well as other relevant information on the Board Committees can be found in the subsequent sections of this report.

Provision 1.5 of the 2018 Code:

Attendance and participation in Board and Board Committee meetings

Board and Board Committee meetings are held regularly, with Board and AC meetings to be held at least twice a year and RC and NC meetings to be held at least once a year. Board and Board Committee meetings and annual general meetings are scheduled in advance to facilitate the Directors' attendance. Ad-hoc meetings will be convened when the Board's guidance or approval is required, outside of the scheduled Board meetings.

In accordance with the Company's Constitution, a Director who is unable to attend a Board meeting can still participate in the meeting via telephone conference, video conference, audio visual or by means of a similar communication equipment or similar communication means whereby all persons participating can hear each other. Important matters concerning the Group can also be put to the Board and Board Committees for decision by way of written resolutions.

The attendance of each Director at meetings of the Board and Board Committees during FY2021 is disclosed as follows:

Attendance at Board and Board Committee Meetings

	Board	AC	NC	RC
Number of scheduled meetings held	2	2	1	1
Name of Director				
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*

The Company's Constitution allows for meetings to be held through telephone and/or videoconference.

When a Director has multiple board representations, the NC also considers whether such a Director is able to and has adequately carried out his duties as a Director of the Company, taking into consideration the Director's number of listed company, board representations and other principal commitments. In support of their candidature for directorship or re-election, Directors are to provide the NC with details of their other commitments and an indication of the time involved.

The Board and the NC have established a guideline on the maximum number of listed company directorships and other principal commitments that each Director is allowed to hold and this guideline can be found under Principle 4 of this report.

The Management recognises that relevant, complete and accurate information need to be provided to the Directors prior to meetings and on an on-going basis to enable the Directors to make informed decisions and discharge their duties and responsibilities effectively and efficiently.

Provision 1.6 of the 2018 Code:

Complete, adequate and timely information to make informed decisions

Management provides the Board with key information that is complete, adequate and timely prior to meetings and whenever required.

The Management provides members of the Board with half yearly management accounts, as well as relevant background information relating to the matters that are discussed at the Board and Board Committee meetings. Such reports keep the Board informed of the Group's performance, financial position and prospects, and consist of the consolidated financial statements, major operational updates, background or updates on matters before the Board for decision or information. The Board is also provided with minutes of the previous Board meeting, and minutes of meetings of all Board Committees held. Detailed board papers are sent out to the Directors at least seven working days before the scheduled meetings so that the Directors may better understand the issues beforehand, allowing for more time at such meetings for questions that Directors may have.

Types of information provided by Management		
	Information	**Frequency**
1.	Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Half yearly
2.	Updates to the Group's operations and the markets in which the Group operates in	Half yearly/as and when relevant
3.	External Auditors' reports	Yearly
4.	Reports on on-going or planned corporate actions	As and when relevant
5.	Internal auditors' ("**IA**") report(s)	Yearly
6.	Research report(s)	As and when relevant
7.	Shareholding statistics	Yearly or as and when relevant

Any additional materials or information requested by the Directors are promptly furnished. If necessary, management staff who are able to explain and provide insights to the matters to be discussed are invited to make the appropriate presentation and answer any queries that the Directors may have.

The Management will also inform the Board of all significant events as and when they occur and circulate Board papers and supporting information on major transactions to facilitate a robust discussion before the transactions are entered into.

The Board has, at all times, separate and independent access to the Management, the company secretaries and external professionals, including the sponsor, company secretary, external auditors and internal auditors.

Provision 1.7 of the 2018 Code:

Separately independent access to Management, company secretary and external advisers; Appointment and removal of the company secretary

The role of the company secretary is clearly defined and includes:

- Attending all Board and Board Committee meetings and ensuring that meeting procedures are followed;
- Together with the Management, ensure that the Company complies with all relevant requirements of the Companies Act and the Catalist Rules;
- Advising the Board on all corporate governance matters; and
- Ensuring adequate and timely flow of information within the Board and Board Committees and between the Management and the Board.

The appointment and removal of the company secretary are subject to the approval of the Board as a whole.

Individually or collectively, in order to execute their duties, Directors can obtain independent professional advice at the Company's expense where required.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 of the 2018 Code:

Director independence

Provision 2.2 of the 2018 Code:

Independent directors make up a majority of the Board

Provision 2.3 of the 2018 Code:

Non-executive directors make up a majority of the Board

Board Independence

There is a strong independent element on the Board with independent Directors constituting at least one-third of the Board. Currently, the Board consists of five Directors of whom three are independent and non-executive.

In view that the Chairman is independent, the Company complies to Provision 2.3 of the Code as the Non-executive Directors make up a majority of the Board.

The Board considers the existence of relationships or circumstances, including those identified by the 2018 Code and Catalist Rules, that are relevant to determine whether a Director is independent. The independence of each Director is reviewed annually by the NC. Each Independent Director is required to complete a checklist annually to confirm his independence. The checklist is drawn up based on the guidelines provided in the 2018 Code and the Catalist Rules. The NC adopts the 2018 Code's definition of what constitutes an "independent" Director in its review. The NC has reviewed and confirmed that the independence of the Independent Directors is in accordance with the Code, PG and Catalist Rules.

There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship that would otherwise deem him not to be independent.

An Independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of the Company. As at the end of FY2021, the NC and the Board have reviewed and ascertained that all Independent Directors namely, Mr. Goh Yeow Tin, Mr. Lu King Seng and Mr. Chua Kern are independent according to the 2018 Code, and Rules 406(3)(d)(i) and 406(3)(d)(ii) of the Catalist Rules and noted that none of the Independent Directors have any relationship with the Company, its related corporations, substantial shareholders or officers, which could interfere or be perceived to interfere with the Director's independent judgement. As required by Rules 406(3)(d)(iii)(A) and 406(3)(d)(iii)(B) of the Catalist Rules, with effect from 1 January 2022, the independence of any director who served an aggregate period of more than nine years from the date of his first appointment must be sought and approved in separate resolutions by: (A) all shareholders; and (B) shareholders excluding directors, chief executive officer, and their associates. There are no Independent Directors that have served on the Board for more than nine years.

Provision 2.4 of the 2018 Code:

Size and composition of the Board and Board Committee; Board diversity policy

Board Diversity

The Company has in place the Board Diversity Policy with a view to achieving a sustainable and balanced development as the Company sees diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition and selection of new Board members, the Board strive to ensure that:

(a) All candidates are included for consideration during the search for new appointments to the Board regardless of gender, age, nationalities or ethnicity;

(b) There is an appropriate mix of gender representation on the Board, taking into account the skills and experience the candidates can contribute; and

(c) External search consultants when looking for suitable candidates for appointment to the Board will be specifically directed to include diverse candidates and women candidates in particular.

In reviewing the composition of the Board, the NC considers the benefits of Board diversity from a number of aspects, including but not limited to gender, age, educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The NC will strive to ensure that:

- Female candidates are fielded for consideration for Board appointments;
- External search consultants are engaged to search for candidates for Board appointments, if required; and
- At least one female Director be appointed to the NC.

The Board is mindful that diversity is not specific to gender or certain personal attributes and would strive to ensure the diversity would enhance the long-term success of the Group. The benefits of Board diversity could only be harnessed if Directors adopt an independent mindset when carrying out their responsibilities. In order to gather and leverage on diverse perspectives, the Non-executive Chairman and Independent Director strives to cultivate an inclusive environment where all Directors are able to speak up and participate in decision making.

The ultimate decision for new Board appointments will be based on merit and contribution that the selected candidates are expected to bring to the Board.

The Board has examined its size and is of the view that it is an appropriate size for effective decision-making, considering the nature and scope of the Group's operations. No individual or small group of individuals dominate the Board's decision making. The Board and Board Committees have an appropriate balance and mix of skills, knowledge and experience in the Group's core businesses and the areas of accounting and finance, legal and regulatory compliance, business management and risk management. While the NC is aware of the merits of gender diversity to the Board composition, the NC notes that it is only one of the many aspects of diversity. While due consideration would be given to female representation on the Board, the NC will continue to make its selection of candidates based on objective criteria which it believes is in the best interest of the Company.

The Board took the following steps to maintain or enhance its balance and diversity:

- Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.

The profiles of the Directors are set out in the "Board of Directors" section of the Annual Report.

Provision 2.5 of the 2018 Code:

Independent Directors meet regularly without the presence of the Management

To facilitate a more effective check on the Management, the Independent Directors meet at least once a year with the internal and external auditors without the presence of the Management. The Independent Directors also communicate with each other from time to time without the presence of the Management to discuss the performance of the Management and any matters of concern. Feedback arising from such meetings or discussions is provided to the Board or Non-executive Chairman and Independent Director, as appropriate.

For FY2021, the AC met once with the external and internal auditors without presence of the Management. This meeting enabled the external and internal auditors to raise issues encountered in the course of their work, if any, directly to the AC.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 of the 2018 Code:

Chairman and MD are separate persons

The Board is chaired by Mr. Goh Yeow Tin, Non-executive Chairman and Independent Director of the Company while Mr. Teo Boon Leng, is the Managing Director ("**MD**") of the Company. Accordingly, the Non-executive Chairman and the MD are not related. Hence, the roles of the Non-executive Chairman and the MD have been clearly separated, each having their own areas of responsibilities. This is to ensure that an appropriate balance of power, increased accountability and greater capacity of the Board for decision making.

The Non-executive Chairman and Independent Director, Mr. Goh Yeow Tin, ensures that corporate information is adequately disseminated to all Directors in a timely manner to facilitate the effective contribution of all Directors. He promotes a culture of openness and debate at the Board and ensures that adequate time is allocated for discussion of all strategic issues. The Non-executive Chairman and Independent Director is assisted by the Board Committees, external auditors and internal auditors who report to the Audit Committee in ensuring compliance with the Company's guidelines on corporate governance.

Provision 3.2 of the 2018 Code:

Division of responsibilities between Chairman and CEO

The MD, Mr. Teo Boon Leng, is responsible for the overall management of the Group and charting the corporate strategies for future growth with the support of the Executive Director, Mr. Ang Kah Leong and the Management.

The NC has deliberated and is of the view that the appointment of a Lead Independent Director is not necessary given that the Non-executive Chairman is not part of the Management and is independent.

Provision 3.3 of the 2018 Code:

Lead Independent Director

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Steps taken to progressively renew the Board composition

The Board is of the opinion that it would be most effective to draw on the wealth of experience from the longer serving directors while concurrently taking progressive steps to review and consider opportunities to refresh the Board as and when deemed required.

To meet the changing challenges in the industry and countries which the Group operates in, such reviews, which includes considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies would be done on a regular basis to ensure that the Board dynamics remain optimal.

Provision 4.1 of the 2018 Code:

NC to make recommendations to the Board on relevant matters

Provision 4.2 of the 2018 Code:

Composition of NC

The NC comprises three Independent Directors, namely Mr. Chua Kern, Mr. Goh Yeow Tin and Mr. Lu King Seng. The Chairman of the NC is Mr. Chua Kern.

The NC's responsibilities, as set out in its terms of reference, include the following:

- Developing and maintaining a formal and transparent process for the selection, appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board, and making recommendations to the Board on the appointment and re-appointment of Directors (including alternate Directors, if any), taking into consideration each Director's competencies, commitment, contribution and performance (for example, attendance, preparedness, participation and candour) including, if applicable, his or her performance as an Independent Director;
- Reviewing succession plans for the Directors, in particular, the appointment and/or replacement of the Executive Chairman, MD and Executive Officers;
- Deciding on how the Board's performance may be evaluated, and proposing objective performance criteria to assess the effectiveness of the Board as a whole and the contribution of each Director;
- Ensuring that all Directors submit themselves for re-nomination and re-election at least once every three years;
- Determining the composition of the Board, taking into account the future requirements of the Group, as well as the need for Directors who, as a group, provide an appropriate balance and diversity of skills, experience, gender and knowledge of the Group, and other considerations as set out in the 2018 Code, and setting the objectives for achieving Board diversity and reviewing the progress towards achieving these objectives;
- Determining on an annual basis, and as and when circumstances require, whether or not a Director is independent having regard to the requirements of the 2018 Code and any other salient factors;

- In respect of a Director who has multiple board representations on publicly listed companies, if any, reviewing and deciding, on an annual basis (or more frequently as the NC deems fit), whether such Director is able to and has been adequately carrying out his duties as a Director;

- Establishing guidelines on the maximum number of directorships and principal commitments for each Director (or type of Director) shall be;

- Reviewing training and professional development programmes for the Board and the Directors;

- Assessing whether each Director is able to and has been adequately carrying out his duties as a Director; and

- Ensuring that new Directors are aware of their duties and obligations.

For the review of succession plans and Board's composition for FY2021, the NC also took into consideration the amendments to the Catalist Rules in relation to the continued appointment of an independent director who has served for an aggregate period of more than nine years, bearing in mind that they will come into effect from 1 January 2022.

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 table below shows the core competencies possessed by the Board members.

	Number of Directors	**Proportion of Board**
Core Competencies		
– Accounting or finance	2	40%
– Business management	3	60%
– Legal or corporate governance	1	20%
– Relevant industry knowledge or experience	3	60%
– Strategic planning	3	60%
– Customer based experience or knowledge	3	60%
Gender		
– Male	5	100%
– Female	0	0%

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.

Provision 4.3 of the 2018 Code:

Process for the selection, appointment and re-appointment of Directors

The NC conducts an annual review of the balance, diversity and size of the Board to determine whether any changes are required in relation to the Board composition. There is a formal and transparent process for the appointment of new 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, 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. The NC would consider candidates proposed by the Directors and key management personnel and may engage external search consultants where necessary.

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.

After reviewing and considering the NC's recommendations, the Board would make the decision to appoint the new director and/or propose the re-election of the incumbent director for shareholders' approval.

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.

In recommending to the Board on appointment and re-appointment of Directors, the NC considers the following factors:

- Needs of the Group, Board Diversity Policy, expertise and experience of the candidate and his or her contribution and performance as Director of the Company, officer of other companies and/or professionals in his or her area of expertise;
- Number of public listed company directorships and other principal commitments;
- Whether the candidate is a fit and proper person in accordance with the MAS' fit and proper guidelines, which broadly takes into account the candidate's competency, honesty, integrity and financial soundness; and
- Independence of the candidate (for Independent Directors).

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. Ang Kah Leong
Mr Chua Kern

Mr. Chua Kern, being the Chairman of the NC, has abstained from deliberation in respect of his own nomination.

Mr. Ang Kah Leong will, upon re-election as Director of the Company, remain as Executive Director of the Company.

Mr. Chua Kern will, upon re-election as Director of the Company, remain as Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee. The Board considers Mr. Chua Kern to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Saved as disclosed, neither Mr. Chua Kern nor Mr. Ang Kah Leong, have any other relationships between themselves, the Company and its 5% Shareholders.

The details of the Directors seeking for re-election as required under Rule 720(5) of the Catalist Rules are set out in the "Additional Information on Directors Seeking Re-election" section of this Annual Report.

Provision 4.4 of the 2018 Code:

Circumstances affecting Director's independence

As described under Principle 2 of this report, the Company has put in place a process to ensure the continuous monitoring of the independence of the Directors. Each Independent Director is required annually to complete a checklist to confirm his independence. Further, an Independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of the Company. The NC is of the view that the Independent Directors are independent. As at the date of this report, there is no relationship or circumstance set forth in Provision 2.1 of the 2018 Code which puts the independence of the Independent Directors in question.

When a Director has multiple listed company Directorship and other principal commitments, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company.

Provision 4.5 of the 2018 Code:

The NC believes that putting a maximum limit on the number of Directorships a Director can hold is arbitrary, given that time requirements for each vary, and thus should not be prescriptive.

Assessment of Directors' duties

Assessment of the individual Directors' performance was based on the criteria set out in Section 5.1. The following were used to assess the performance and consider competing time commitments of the Directors: -

- Declarations by each Director of their other listed company directorships and principal commitments; and
- Annual confirmations by each Director on his/her ability to devote sufficient time and attention to the Company's affairs, having regard to his/her other commitments.

Multiple listed company directorships and other principal commitments

The NC is satisfied that sufficient time and attention were given by the Directors to the affairs of the Company during FY2021, notwithstanding that they hold Directorships in other listed companies and have other principal commitments, and will continue to do so in the financial year ending 30 June 2022.

The specific considerations in assessing the capacity of Directors include:

- Expected and/or competing time commitments of Directors, including whether such commitment is a full-time or part-time employment capacity;
- Geographical location of Directors;
- Size and composition of the Board;
- Nature and scope of the Group's operations and size; and
- Capacity, complexity and expectations of the other listed directorships and principle commitments held.

The list of Directorships held by Directors presently or in the preceding three years in other listed companies, and other principal commitments are set out in the "Board of Director" section of the Annual Report.

PG 4
Alternate Directors

Alternate directors will be appointed as and when the Board deems necessary. Circumstances which warrant such appointments may include health, age related concerns as well as Management succession plans. No alternate Director has been appointed to the Board.

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2 of the 2018 Code:

Assessment of effectiveness of the Board and Board Committees and assessing the contribution by the Chairman and each Director

The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The NC will assess the Board's effectiveness as a whole by completing the Board Assessment Checklist, which takes into consideration factors such as the Board's structure, conduct of meetings, risk management and internal control, and the Board's relationship with the Management. The NC will also assess the Board's performance based on a set of quantitative criteria and financial performance indicators as well as share price performance. In addition, the NC will assess the individual Directors' performance by completing an Individual Director Assessment Checklist, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors.

Where appropriate, the Board will review and make changes to the assessment forms to align with prevailing regulations and requirements. The performance criteria shall not be changed from year to year without justification. These assessments are to be carried out and overseen by the NC for each financial year to evaluate the effectiveness of the Board as a whole and recommendations based on these assessments would be tabled to the Board for discussion and/or adoption. The Non-Executive Chairman and Independent Director will act on the results of the performance evaluation and the recommendation of the NC, and where appropriate, in consultation with the NC, new members may be appointed or resignation of Directors may be sought

Each member of the NC shall abstain from deliberating and voting on any resolutions in respect of the assessment of his performance or re-nomination as Director.

Based on the NC's review for FY2021, the Board operates effectively and each Director is contributing to the Board's effectiveness.

The Board has implemented a process for assessing its effectiveness as a whole and the Board committees and each individual Director to the effectiveness of the Board. The assessments of the Board, the Board Committees and the individual directors are conducted by the NC and will be carried out annually.

The assessment utilises a confidential questionnaire, covering areas such as Board composition, Board processes managing the Group's performance, the effectiveness of the Board and the Board Committees. The questionnaires are completed by members of the Board and the Board Committees. The completed qualitative assessment questionnaires are collated for deliberation by the NC. The results, conclusions and recommendations are then presented to the Board by the NC.

The assessment of the individual directors will be done through peer-assessments, in each case through a confidential questionnaire to be completed by the directors individually. The assessment parameters for such individual evaluation include attendance and contributions during Board and Board Committee meetings as well as commitment to their roles as directors. The completed questionnaires will then be collated for the NC's deliberation and reported to the Chairman of the Board. The Chairman will act on the results of the performance evaluation and the recommendations of the NC, and where appropriate, in consultation with the NC, new members may be appointed or resignation of directors may be sought.

The NC has reviewed the overall performance of the Board as a whole, the Board Committees and Individual Director for FY2021.

Following the review of the assessments of the Board as a whole, the Board Committees and Individual Director for FY2021, both the NC and the Board are of the view that the Board has met its performance objectives for FY2021. No external facilitator was used in the process.

All NC members have abstained from the voting or review process of any matters in connection with the assessment of his/her performance.

Although no external facilitator had been engaged by the Board for this purpose, the NC has full authority to do so, if the need arises.

REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 of the 2018 Code:

RC to recommend remuneration framework and packages

Provision 6.2 of the 2018 Code:

Composition of RC

The RC comprises three Independent Directors, namely Mr. Goh Yeow Tin, Mr. Lu King Seng and Mr. Chua Kern. The Chairman of the RC is Mr. Goh Yeow Tin.

The RC's responsibilities, as set out in its terms of reference, include the following:

- Reviewing and recommending to the Board for approval a framework of remuneration for the Directors and Executive Officers as well as the specific remuneration packages for each Executive Director and Executive Officer, ensuring that a significant and appropriate proportion of the remuneration is structured so as to link rewards to corporate and individual performance;

- Reviewing annually the remuneration, bonuses, pay increase and/or promotions of employees who are related to the Directors or substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with the respective job scopes and level of responsibilities, and reviewing and approving any new employment of related employees and the proposed terms of their employment;

- Reviewing the obligations arising in the event of termination of service contracts entered into between the Group and the Executive Directors or Executive Officers, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly generous;

- If necessary, seeking expert advice within and/or outside the Company on remuneration matters, ensuring that existing relationships, if any, between the Company and the appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;

- Performing an annual review of the remuneration packages in order to maintain their attractiveness to retain and motivate the Directors and Executive Officers, and to align the interests of the Directors and Executive Officers with the interests of the shareholders and other stakeholders to promote the long-term success of the Company; and

- Ensuring that the remuneration of Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

The recommendations of the RC shall be submitted for endorsement by the Board. Each RC member shall abstain from reviewing, deliberating and voting on any resolution in respect of his remuneration package or that of any employees who are related to him.

The RC considers all aspects of remuneration (including Director’s fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination payments) in the review and recommendation of remuneration packages for the Directors and executive officers with an aim to be fair and to avoid rewarding poor performance, before making any recommendation to the Board. Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his remuneration package or that of employees related to him.

Provision 6.3 of the 2018 Code:

RC to consider and ensure all aspects of remuneration are fair

The Independent Directors receive Directors’ fees in accordance with their contributions, taking into account factors such as effort and time spent and their responsibilities. The Directors’ fees are recommended by the RC and endorsed by the Board for approval by the shareholders of the Company at the annual general meeting. Except as disclosed in this Annual Report, the Independent Directors do not receive any remuneration from the Company.

The Executive Directors have each entered into a service agreement with the Company, under which terms of their employment are stipulated in the service agreements.

There are no excessively long or onerous removal clauses in these service agreements. The service agreements are valid for a period of three years with supplemental service agreement.

There are no contractual provisions which allows the Company to reclaim incentives from the Executive Directors and key management personnel in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual results of its Executive Directors and key management personnel, “claw-back” provisions in the service agreements may not be relevant or appropriate

“Claw-back” Provisions

No remuneration consultants were engaged by the Company for FY2021 for the remuneration packages of its Directors and key management personnel as the Company is of the view that the annual review by the RC, giving due regard to prevailing market conditions as well as the financial and business needs of the Group, is currently sufficient to ensure the continued relevance of such remuneration packages to the Group’s strategic business objectives and alignment with market practices.

Provision 6.4 of the 2018 Code:

Expert advice on remuneration

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company

Provisions 7.1 and 7.3 of the 2018 Code:

Remuneration of Executive Directors and key management personnel are appropriately structured to encourage good stewardship and promote long-term success of the Company

Remuneration of Executive Directors and key management personnel comprise of fixed components and variable components. The fixed component is in the form of a monthly base salary. The variable component is in the form of incentive bonus that is performance related and linked to corporate and individual performance. Their remuneration is linked to their roles and responsibilities and aligned with shareholders' interests to promote long-term success of the Group. The Group's remuneration policy is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate the Directors and the key management personnel of the required experience and expertise. No Director is involved in any discussion relating to his own remuneration, terms and conditions of service, and the review of his performance.

Each Executive Director has a service agreement with the Company valid for an initial period of three (3) years with effect from the date of the Company's listing on the Catalist of the SGX-ST ("**Listing**"). Upon the expiry of the initial period of three (3) years, the employment of each Executive Director shall be renewed for a further three (3) years on such terms and conditions as may be agreed by the RC unless terminated by either party giving six (6) months' written notice of intention not to renew the employment. All revisions to the remuneration packages for the Executive Directors are subject to the review by and recommendation of the RC and the approval of the Board.

Taking note of competitive pressures in the talent market, the Board has, on review, decided not to disclose the key performance indicators and performance conditions of the Executive Directors and key management personnel.

The RC has reviewed and is satisfied that the performance conditions were met for FY2021.

Contractual provisions are stipulated in the supplemental Service Agreements of the Executive Directors which allows the Company to reclaim incentives in cases of wilful misconduct and/or gross negligence by the Executive Directors. In addition, 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.

Provision 7.2 of the 2018 Code:

Remuneration of Non-Executive Directors dependent on contribution, effort, time spent and responsibilities

The Independent Directors are paid Directors' fees which take into consideration their contribution, effort, time spent and responsibilities. They are not overly remunerated to the extent that their independence may be compromised. The fees for the financial year in review are determined in the previous financial year, proposed by the Management submitted to the RC for review and thereafter, recommended to the Board for approval.

The RC has reviewed and assessed that the remuneration of the Non-Executive Directors for FY2021 is appropriate, considering the responsibilities, effort, and time spent.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions 8.1 and 8.3 of the 2018 Code:

Remuneration disclosures of Directors and key management personnel; Details of employee share schemes

After reviewing the industry practice and analyzing the advantages and disadvantages in relation to the full detailed disclosure of remuneration of each Director and key management personnel as recommended by the Code, the Company is of the view that doing so would be prejudicial to its business interests given the highly competitive jewellery retail/ exhibition industry that the Group operates in, and hamper its' ability to retain and nurture the Group's talent pool.

A breakdown (in absolute amounts and percentage terms) of the remuneration earned by each Director and the MD during FY2021 is as follows:

Remuneration band and name of Director	Directors' fee (%)	Salary (%)	Variable or performance related bonus[1] (%)	Total (%)
$1,000,000 to $1,250,000				
Teo Boon Leng	–	65%	35%	100%
$500,000 to $750,000				
Ang Kah Leong	–	76%	24%	100%
Below $250,000				
Goh Yeow Tin	100%	–	–	100%
Lu King Seng	100%	–	–	100%
Chua Kern	100%	–	–	100%

(1) *Benefits in kind are included in the variable component*

The Company has only 3 top key management personnel. The remuneration received by the 3 top key management personnel (who are not Directors or the MD) in FY2021 is disclosed below:-

Remuneration band and name of key management personnel	Salary and CPF (%)	Variable or performance related bonus [1] (%)	Total (%)
Below $250,000			
Irene Ng	67%	33%	100%
Julia Tan	65%	35%	100%
Tan Yee Ming	96%	4%	100%

(1) *Benefits in kind are included in the variable component*

The annual aggregate amount of the total remuneration paid to the 3 top key management personnel (who are not Directors or the MD) is approximately S$535,000. There were no termination or retirement benefits and post-employment benefits granted to the Directors and key management in FY2021.

Provision 8.2 of the 2018 Code:

Remuneration disclosure of related employees Employee Share Scheme(s)

Save for the Executive Directors, there are no employees who were substantial shareholders of the Company in FY2021.

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

The Company had no employee share schemes during FY2021.

ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 of the 2018 Code:

Board determines the nature and extent of significant risks

Risk analysis and management is undertaken within the Group as a source of sustainable business benefit and competitive advantage. The Board is responsible for the management of the Group's significant risks and is assisted by the AC in the oversight of the risk management and internal control systems of the Group.

The AC, with the assistance of the internal and external auditors, annually reviews the adequacy and effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance and information technology controls.

The internal auditor ("**IA**"), Crowe Horwath First Trust Advisory Pte. Ltd. ("**Crowe**"), has carried out internal audit on the system of internal controls and reported the findings to the AC. The external auditor, Ernst & Young LLP ("**EA**"), has also, in the course of their statutory audit, gained an understanding of the key internal accounting controls assessed to be relevant to the statutory audit. In this respect, the AC has reviewed the findings of both the internal and external auditors and will ensure that the Company follows up on the auditors' recommendations raised during the audit processes. No material internal control weakness had been raised by the internal and external auditors in the course of their audits for FY2021.

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 Crowe and the qualifications, experience and availability of resources and independence of the team at Crowe, is satisfied that the appointment of Crowe as IA is appropriate and has the appropriate standing in the Company to discharge its duties effectively.

The IA has full access to documents, records, properties and personnel of 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 to ensure, *inter alia*, the adequacy of the scope of the audit. The internal audit plan complements that of the EA and together forms a robust risk-based audit approach to facilitate the AC's review of the adequacy and effectiveness of the Group's risk management and internal control systems. 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. There were no material weaknesses identified, the Board noted that there were certain areas requiring improvement as identified by the IA during the course of their audit performed in FY2021. The Board has accepted the IA's recommendations and has implemented the various recommendations to address such deficiencies identified.

Based on the work performed by the IA, EA and the internal controls established and maintained by the Group, the Board and the AC, after making all reasonable enquiries and to the best of its knowledge and belief, are of the opinion that the Company has adequate and effective systems of internal controls (including financial, operational, compliance and information technology controls) and risk management systems.

The bases for the Board's view are as follows:

1. Assurance has been received from the MD and Group Financial Controller ("**GFC**");

2. An internal audit has been done by the IA and significant matters highlighted to the AC and key management personnel were appropriately addressed;

3. Key management personnel evaluates, monitors material risks and reports to the AC on a regular basis; and

4. Discussions were held between the AC and auditors in the absence of the key management personnel to review and address any potential concerns.

The Board received assurance from the MD and the GFC that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

Provision 9.2 of the 2018 Code:

Assurance from CEO, CFO and other key management personnel

In addition, the Board received assurance from the MD, GFC and other key management personnel that the Company's risk management and internal control systems are adequate and effective.

Based on the reviews carried out by the AC, work performed by the internal and external auditors and assurance from the Management referred to in the preceding paragraphs, the Board, with the concurrence of the AC, is satisfied that the system of internal controls (including financial, operational, compliance and information technology controls) and risk management systems in place are adequate and effective as at 30 June 2021.

The Board notes that no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human errors, losses, fraud or other irregularities. As such, the Company's risk management and internal controls systems are regularly evaluated and improved to ensure its relevance to the Company's operations.

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an Audit Committee which discharges its duties objectively

Provision 10.1 of the 2018 Code:

Duties of AC

The AC comprises three Independent Directors, namely Mr. Lu King Seng, Mr. Goh Yeow Tin and Mr. Chua Kern. The Chairman of the AC is Mr. Lu King Seng.

Provision 10.2 of the 2018 Code:

Composition of AC

All members of the AC are appropriately qualified and have relevant accounting or related financial management expertise and experience. They are not former partners or directors of the Company's auditing firm and none of the AC members hold any financial interest in the external audit firm.

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 AC members 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.

Provision 10.3 of the 2018 Code:

AC does not comprise former partners or directors of the Company's auditing firm

The AC's responsibilities, as set out in its terms of reference, include the following:

- Reviewing the audit plan and scope of work of the external auditors and internal auditors, the results of the external and internal auditors' review and evaluation of the system of internal controls, and their management letters on the internal controls together with the Management's response, and monitoring the implementation of the internal control recommendations made by the external and internal auditors;

- Reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Group's risk management systems and internal controls addressing financial, operational, compliance and information technology risks (such review to be carried out internally or with the assistance of any competent third parties);

- Reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Group's internal audit function;

- Making recommendations to the Board on establishing an adequate, effective and independent internal audit function (which can be in-house or outsourced to a reputable accounting/auditing firm or corporation), and ensuring that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by nationally or internationally recognised professional bodies;

- Reviewing the interim financial results and annual consolidated financial statements and the external auditors' report on the annual consolidated financial statements, and reviewing and discussing any significant adjustments, major risk areas, changes in accounting policies and practices, significant financial reporting issues and judgements, compliance with Singapore financial reporting standards as well as compliance with the Catalist Rules and other statutory or regulatory requirements, concerns and issues arising from their audits, to ensure the integrity of the financial statements of the Group and any announcements relating to the financial performance, before submission to the Board for approval;

- Meeting with the external auditors and internal auditors without the presence of the Management, at least annually;

- Reviewing and discussing with the external and internal auditors, any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

- Reviewing and ensuring the co-ordination among the internal auditors, external auditors and the Management, including assistance given by our Management to the auditors;

- Considering the independence and objectivity of the external auditors, taking into account the non-audit services provided by the external auditors and the fees paid for such non-audit services, if any;

- Reviewing any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules, and approving interested person transactions the value of which amount to 3.0% or more of the latest audited NTA of the Group, or any agreement or arrangement with an interested person that is not in the ordinary course of business of the Group, prior to the Group's entry into the transaction, agreement or arrangement;

- Making recommendations to the Board on the proposals to the shareholders with regard to the appointment, re-appointment and removal of external auditors, and the remuneration and terms of engagement of the external auditors;

- Reviewing the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time;

- Reviewing any potential conflicts of interests and set out a framework to resolve or mitigate such potential conflicts of interests, and monitoring compliance with such framework;

- Establishing and reviewing the policy and arrangements by which employees of the Group or any other persons may safely raise concerns about possible improprieties in financial reporting or other matters and ensuring that there are arrangements in place for independent investigation of such concerns and appropriate follow-up actions in relation thereto;

- Ensuring that the Group publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;

- Reviewing the assurance from the CEO and the Financial Controller on the financial records and financial statements;

- Undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC;

- Ensuring that the terms of non-compete undertakings provided to the Company have been compiled with; and

- Reviewing and approve transactions falling within the scope of Chapter 10 of the Catalist Rules.

The Company's staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistleblowing report to AC Chairman via a dedicated secured email address.

The AC is authorised to investigate any matter within its terms of reference, and has full access to, and co-operation of, the Management. The AC has full discretion to invite any Director, Executive Officer or management personnel to attend its meetings and has access to reasonable resources, including independent professional advice, to enable it to discharge its functions.

The Group has complied with Rules 712 and 715 of the Catalist Rules in relation to the appointment of its external auditor. The audit fees and non-audit fees paid or payable to the EA for FY2021 amounted to S$157,000 and nil respectively. There were no non-audit services rendered during FY2021. The AC, having reviewed the scope and value of the audit services provided by the external auditor, is satisfied that the independence and objectivity of the external auditor is not impaired.

In recommending the re-appointment of Ernst & Young LLP as the external auditor for the financial year ending 30 June 2022, the AC had taken into consideration the Audit Quality Indicator Disclosure Framework published by the Accounting and Corporate Regulatory Authority.

The Company has outsourced its internal audit function to Crowe, a corporate member of the Institute of Internal Auditors Singapore. The primary reporting line of the internal auditors is to the AC and administratively to the GFC. The hiring, removal, evaluation of the internal auditors and compensation to be paid to them is recommended by the AC and approved by the Board.

Provision 10.4 of the 2018 Code:

Primary reporting line of the internal audit function is to AC; Internal audit function has unfettered access to Company's documents, records, properties and personnel

The internal audit team have unrestricted access to the Company's documents, records, properties and personnel. The internal audit team is staffed with personnel with relevant qualifications and experience and takes reference from the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors when performing their reviews. As such, the AC is satisfied that the IA is able to discharge its duties effectively as it is adequately independent, adequately qualified, adequately resourced to perform its functions and have appropriate standing within the Group.

The internal audit function is independent of the activities it audits. During FY2021, the internal auditors completed an internal control review of the Group's key processes in retail sales and cashiering, bank and cash management. The related internal audit reports, including management's responses and implementation status, have been communicated to the AC.

The AC endeavour to meet at least once a year with the external and internal auditors without the presence of the Management so that any concern and/or issue can be raised directly and privately.

Provision 10.5 of the 2018 Code:

AC meets with the auditors without the presence of Management annually

The AC has met with the EA and the IA once in the absence of management in FY2021 to discuss, amongst other matters, the conduct of audit for the Group's FY2021 financial statements.

SIGNIFICANT ACCOUNTING MATTERS

In the review of the financial statements for FY2021, the AC has discussed with the Management on the significant accounting principles that were applied and their judgement of items that might affect the accuracy and completeness of the financial statements.

The key audit matters, which are included in the independent auditors' report for FY2021, were discussed with the Management and the external auditor, and were reviewed by the AC.

WHISTLE-BLOWING CHANNELS

The Company has in place a whistle-blowing policy and procedures for employees of the Group and other persons to raise concerns about possible improprieties in matters of financial reporting, fraudulent behaviour and other significant matters directly to the AC in confidence and without fear of reprisals. Details of this policy are disseminated to all employees of the Group.

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 reports received in FY2021.

None of the AC members were previous partners or directors of the Company's EA within the last twelve months and none of the AC members hold any financial interest in the EA.

To date, no significant matter was raised through the Group's whistle-blowing channels.

SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1 of the 2018 Code:

Company provides shareholders with the opportunity to participate effectively and vote at general meetings

The Board ensures that the shareholders are treated fairly and equitably. All material information which would likely affect the price or value of the Company's shares shall be disclosed adequately and in a timely manner. Presentations to shareholders will be made available on SGXNET and the Company's website.

In presenting the Group's financial results to shareholders, it is the aim of the Board to provide shareholders with a balanced and understandable assessment of the Company's performance, position and prospects.

The Company's principal form of dialogue with shareholders takes place at general meetings. Notices of general meetings are dispatched to shareholders, together with the annual report and/or circulars within the time notice period as prescribed by the relevant regulations. Where necessary, additional explanatory notes will be provided for relevant resolutions which are to be tabled at general meetings to enable shareholders to exercise their vote on an informed basis. The Company strives to hold general meetings at venues which are accessible to shareholders. At general meetings, shareholders will be given the opportunity to voice their views and direct their questions to the Board regarding the Company.

Shareholders will also be briefed during the general meetings on voting procedures of the general meetings.

SGX-ST publishes investor guides to help the investment community in their preparation for annual general meetings and other general meetings. The links to SGX-ST's investor guides have been included on the Company's website under the "Investor Relations" section for ease of reference by shareholders.

All resolutions proposed at general meetings shall be put to vote by way of a poll. All votes cast, for or against, and the respective percentages, in respect of each resolution are tallied and disclosed at the meeting and an announcement with the detailed results showing the numbers of votes cast for and against for each resolution and the respective percentage will be released via SGXNET after the general meetings.

Provision 11.2 of the 2018 Code:

Separate resolution on each substantially separate issue

The Board notes that the best practice is to have separate resolutions on each substantially separate issue. The Company shall avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal. In situations where resolutions are inter-conditional, the Company will provide clear explanations.

All Directors, including the chairpersons of various Board Committees, and the Executive Officers shall attend general meetings to address shareholders' queries and receive feedback from shareholders.

Provision 11.3 of the 2018 Code:

All Directors attend general meetings

The external auditor, Ernst & Young LLP, shall also be invited to attend general meetings and will assist in addressing queries from the shareholders relating to the conduct of the audit and the preparation and content of the independent auditor's report.

The Chairman of the meeting will facilitate constructive dialogue between shareholders and the Board, the Management, the external auditors and other relevant professionals.

The Company's Constitution allows all shareholders to appoint up to 2 proxies to attend and vote on their behalf and also provides that a proxy need not be a shareholder of the Company. Registered shareholders who are unable to attend the general meetings are entitled to appoint up to two proxies, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act). A relevant intermediary may appoint more than two proxies to participate in shareholders' meetings, but each proxy must be appointed to exercise rights attached to a different share or shares held by such shareholder.

Provision 11.4 of the 2018 Code:

Company's Constitution allow for absentia voting of shareholders

The Company's Constitution does not permit voting in absentia as the authenticity of shareholders' identity and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means.

Minutes of general meetings which include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and the Executive Officers will be published on the Company's corporate website at http://www.tlvholdings.com.sg.

Provision 11.5 of the 2018 Code:

Minutes of general meetings are published on the Company's corporate website as soon as practicable

Currently, the Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on amongst others, the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate.

Provision 11.6 of the 2018 Code:

Dividend policy

Subject to its Constitution and the Companies Act, the Company may, by ordinary resolution of shareholders, declare dividends at a general meeting, but it may not pay dividends in excess of the amount recommended by the Directors. The declaration and payment of dividends will be determined at the sole discretion of the Directors subject to the approval of the shareholders. Subject to its Constitution and the Companies Act, the Directors may also declare an interim dividend without the approval of the shareholders.

The form, frequency and amount of future dividend of the Company's shares will depend on the earnings, financial position, results of operations, cash flows, capital needs, general business conditions, terms of borrowing arrangements (if any), plans for expansion, and other factors as the Board may deem appropriate.

No dividend has been declared for FY2021 due to the current uncertain business environment as the Company strives to conserve cash for working capital purposes.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1 of the 2018 Code:

Company provides avenues for communication between the Board and shareholders and discloses steps taken to solicit and understand the views of shareholders

The Company informs the shareholders promptly of all major developments via SGXNET and the Group's corporate website http://www.tlvholdings.com.sg. The Company does not have a dedicated investor relations team.

The Company is committed to treating all shareholders fairly and equitably and to keep all its shareholders and other stakeholders informed of its corporate activities which would be likely to materially affect the price or value of its shares, on a timely basis.

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. All Shareholders are entitled to attend the general meetings and are afforded the opportunity to participate effectively in and vote at these general meetings.

Provisions 12.2 and 12.3 of the 2018 Code:

Company has in place an investor relations policy; Investor relations policy sets out mechanism of communication between the shareholders and the Company

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. In addition, the Company has engaged August Consulting Pte Ltd to address any queries that the investors, analysts, press or public might have on the Company's affairs.

The Company has in place an investor relations policy, posted on its corporate website, http://www.tlvholdings.com.sg, to promote regular, effective and fair communication. The Company's investor relations website is a key resource of information for the investment community. It contains comprehensive information on the Company, including the Group's corporate announcements, news releases, annual reports and corporate information.

MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served

Provisions 13.1 and 13.2 of the 2018 Code:

Engagement with material stakeholder groups

The Company takes pride in meeting and exceeding the expectations of the stakeholders. The engagement with material stakeholder groups, including key areas of focus and engagement channels, are disclosed in the Sustainability Report.

The Company is working towards the issuance of its FY2021 Sustainability Report by 30 November 2021, and the report will be made available to shareholders on the SGXNET and the Company's website.

Provision 13.3 of the 2018 Code:

Corporate website to engage stakeholders

Stakeholders who wish to know more about the Group and the business and governance practices can visit the Company's website at http://www.tlvholdings.com.sg. The website includes an investor relations section containing the Company's financial highlights, annual report, corporate announcements, whistle-blowing policy and investor relations policy.

DEALINGS IN SECURITIES

The Group has adopted policies in line with the requirements of Rule 1204(19) of the Catalist Rules on dealings in the Company's securities. The policies have been made known to Directors, Executive Officers and any other persons as determined by the Management who may possess unpublished material price-sensitive information of the Group.

The Company prohibits its officers from dealing in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company, its Directors and officers are not allowed to deal in the Company's shares during the periods commencing one month before the Company's half year and full year financial statements, as the case may be, and ending on the date of the announcement of the relevant financial results.

The Company, Directors and employees of the Company are also advised to observe insider trading laws at all times. Directors are required to report all dealings to the company secretaries.

INTERESTED PERSON TRANSACTIONS ("IPTs")

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.

There were no other interested person transactions of value more than S$100,000 and above in FY2021.

MATERIAL CONTRACTS

There were no material contracts entered into by the Group involving the interests of the MD, any Director or controlling shareholder, who are either still subsisting at end of FY2021 or if not then subsisting, entered into since the end of the previous financial year.

NON-SPONSOR FEES

No non-sponsor fees were paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2021.

USE OF IPO PROCEEDS

There are no outstanding proceeds raised from IPO or any offerings pursuant to Chapter 8 of the Catalist Rules.

SUSTAINABILITY REPORTING

The Company is working towards the issuance of its FY2021 Sustainability Report by 30 November 2021, and the report will be made available to shareholders on the SGXNET and the Company's website.

RE-ELECTION DIRECTORS

Name of retiring Director	**Ang Kah Leong**	**Chua Kern**
Date of appointment	22 June 2015	21 August 2015
Date of last re-appointment	26 July 2019	27 July 2018
Age	59	50
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board, having considered the recommendation of the Nominating Committee and having assessed Mr Ang's requisite knowledge and experiences to assume the responsibilities as Executive Director of the Company. Accordingly, the Nominating Committee and the Board recommend the re-appointment of Mr Ang as Executive Director of the Company, subject to shareholders' approvals at the forthcoming AGM.	The Board, having considered the recommendation of the Nominating Committee and having assessed Mr Chua's overall contribution, performance as a director of the Company and his requisite knowledge and experiences to assume the responsibilities as Independent Director of the Company. Accordingly, the Nominating Committee and the Board recommend the re-appointment of Mr Chua as Independent Director of the Company, subject to shareholders' approvals at the forthcoming AGM.
Whether appointment is executive, and if so, the area of responsibility	Executive • 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, wholesale and pawnbroking businesses and operations.	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director	Non-Executive Independent Director
Academic qualifications	NA	• Bachelor of Law (Honours) degree from University of Bristol, United Kingdom • Diploma in Singapore Law from National University of Singapore
Professional memberships/ qualifications	NA	• Admission to the Supreme Court of Singapore as Advocate and Solicitor • Member of Law Society of Singapore • Member of Singapore Academy of Law

Name of retiring Director	Ang Kah Leong	Chua Kern
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking submitted to the listed issuer in the form of Appendix 7H (Listing Rule 720(1)	Yes	Yes
Whether the appointment has changed from non-executive to executive. If so, please state the area of responsibility	No	No
Working experience and occupation(s) during the past 10 years	Taka Jewellery Pte Ltd	• August 2005 – present: Executive Director of Chancery Law Corporation • January 2015 – present: Executive Director of Chancery Corporate Solutions Private Limited
Shareholding interest in the listed issuer and its subsidiaries	Yes	No
Shareholding details	157,884,355 ordinary shares	N.A.
Other Principal Commitments[#1] Including Directorships		
Past (for the last 5 years)	Nil	• Independent Director of GS Holdings Limited • Independent Director of Memiontec Holdings Ltd
Present	Director of: 1) TLV Holdings Limited 2) Taka Jewellery Pte.Ltd. 3) Voi Hong Kong Limited 4) Voi Jewellery Pte. Ltd. 5) Lovis Diamonds Pte. Ltd. 6) Top Cash Pte.Ltd. 7) Taka Jewellery (Hong Kong) Limited 8) Taka Bullion Pte. Ltd 9) Elite Equity Pte. Ltd. 10) Equity Fintech Pte. Ltd. 11) Top Cash Pawnshop Pte.Ltd. 12) BizFintech Pte. Ltd. 13) Maoming Gaoda Zhubao Co Ltd 14) Taka Hong Kong Venture Limited	• Director of Chancery Law Corporation • Director of Chancery Corporate Solutions Private Limited • Director of Providence Presbyterian Church Ltd. • Director of Liontrust Group Private Limited

Name of retiring Director	Ang Kah Leong	Chua Kern
Information Required Pursuant to Listing Rule 704(6)		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

Name of retiring Director	Ang Kah Leong	Chua Kern
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

Name of retiring Director	Ang Kah Leong	Chua Kern
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No Mr. Chua was interviewed by the Commercial Affairs Department ("CAD") in September 2005 as a witness pertaining to its investigation into warranty claims submitted by Accord Customer Care Solutions Ltd to Nokia Pte Ltd. He was interviewed as a witness and in his capacity as a consumer as he had coincidentally made a warranty repair claim on his personal Nokia handphone during the period of the investigations by the CAD. The interview was conducted on 8 September 2005 and on 9 September 2005, Mr. Chua received a letter from the CAD confirming that Mr. Chua was interviewed as a witness only and was not in any way implicated with regards to the investigations carried out by the CAD. Mr. Chua was not contacted by CAD in relation to the case and no action was taken by the CAD against Mr. Chua after the interview.

Name of retiring Director	Ang Kah Leong	Chua Kern
Disclosure Applicable to the Appointment of Director Only		
Any prior experience as a director of an issuer listed on the Exchange? If Yes, please provide details of prior experience. If No, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable) **Notes:** # Include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments N.A. – Not Applicable	N.A.	N.A.

DIRECTORS' REPORT

The Directors are pleased to present their statement 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 30 June 2021.

Opinion of the Directors

In the opinion of the Directors,

(i) the consolidated financial statements of the Group and the balance sheet 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 30 June 2021 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
Ang Kah Leong
Goh Yeow Tin
Lu King Seng
Chua Kern

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 following 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		**Deemed interest**	
Name of Director	**At the beginning of financial year**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Teo Boon Leng	171,359,753	171,359,753	–	–
Ang Kah Leong	157,884,355	157,884,355	–	–

By virtue of Section 7 of the Singapore Companies Act, Chapter 50, the above Directors are deemed to have an interest in all the shares held by the Company in its subsidiaries.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2021.

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 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.

On behalf of the board of directors:

Ang Kah Leong
Director

Teo Boon Leng
Director

Singapore
30 September 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of TLV Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TLV Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 30 June 2021, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Allowance for impairment of trade receivables from the Group's jewellery business

The Group's trade receivables are significant to the Group as they represent 32% of the Group's total assets as at year end and they mainly relate to the Group's exhibition jewellery business.

The Group applies the simplified approach in calculating expected credit losses ("ECLs") in accordance with SFRS(I) 9 *Financial Instruments* and recognises loss allowance based on lifetime expected losses at each reporting date. Trade receivables that are credit impaired are assessed for impairment by making debtor-specific assessment.

The Group uses a provision matrix to estimate the allowance for ECLs on trade receivables from exhibition jewellery sales. The key assumptions used in the ECLs model relate to the collectibility of trade receivables and historical observed default rates. A considerable amount of judgment is required in deriving these key inputs, and includes reviewing the current creditworthiness and past collection history of the debtors, as well as considering forward-looking economic information.

In light of the COVID-19 pandemic and the heightened level of estimation uncertainty associated with the market and economic conditions prevailing at the reporting date, additional time and effort were spent in assessing estimates and judgement applied by management. As such, we determined this is a key audit matter.

Key Audit Matters (cont'd)

Allowance for impairment of trade receivables from the Group's jewellery business (cont'd)

As part of our audit, we tested the reasonableness of the key inputs and assumptions used by the Group in the ECLs model which is largely dependent on the Group's evaluation of collectability, analysis of historical write-offs and credit losses, and aging analysis of trade receivables. We reviewed the process and tested the key parameters relating to the aging data and forward-looking economic factors used in the ECL model by considering the market prices of gold and diamond to gauge their demand and the GDP forecast of the country in which the key customers are operating in. We checked the arithmetic accuracy of the allowance rates used. We reviewed the Group's credit control procedures in respect of monitoring and managing the credit risk of trade receivables. We requested trade receivables confirmations for major debtors and performed procedures to obtain evidence of receipts from the debtors subsequent to the balance sheet date, reviewed the debtors' past payment trends and the Group's assessment of debts with significant increase in credit risk since initial recognition.

Where specific impairments have been made, we considered the impairment indicators, assumptions made by management in their assessment of the recoverability of the outstanding receivables which include, the probability of the collection.

We also assessed the adequacy of the disclosures related to the Group's trade receivables in Note 16 to the financial statements.

Valuation and existence of inventories

As of 30 June 2021, the Group's total inventories amounted to $71,692,000. The Group's inventories comprise of raw materials and finished goods. Included in the raw materials and finished goods are gold, loose diamonds and jewellery pieces.

We focused on inventories as their carrying amounts are material to the financial statements and there is a high inherent risk of theft and pilferage. In addition, the determination of allowance for slow moving inventories involves a high level of management judgment and estimation uncertainty associated with the market and economic conditions prevailing at the reporting date, where the appropriate amount of allowance is determined by considering the age of inventories, market prices for gold, expected and current demand and rework costs. Accordingly, we identified this as a key audit matter.

We obtained an understanding of the Group's internal controls with respect to physical safeguards over inventories. We attended and observed management's year-end inventory counts at selected outlets, test counted and traced the test results to management's records on a sample basis.

With respect to slow moving inventories, we reviewed management's assessment and evaluated the adequacy of allowance made for slow moving inventories. In addition, we have obtained the inventory sales during and subsequent to the financial year ended and analysed the gross profit margin as part of our assessment for stock obsolescence test. We performed a review of the inventory aging analysis and recomputed management's calculation of inventory turnover days. We also reviewed on a sample basis, management's assessment of the net realisable value of these inventories by comparing them against market value at year end and sales price during the year and subsequent to year end.

We also assessed the adequacy of the disclosures related to the Group's inventories in Note 15 to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors 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 Act and SFRS(I), 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

The engagement partner on the audit resulting in this independent auditor's report is Ng Boon Heng.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

30 September 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2021

	Note	Group 1.7.2020 to 30.6.2021 $'000	Group 1.4.2019 to 30.6.2020 $'000
Revenue	4	96,833	114,121
Cost of sales		(74,892)	(84,286)
Gross profit		21,941	29,835
Other operating income	5	1,827	2,215
Distribution costs		(15,018)	(20,918)
Administrative expenses		(4,928)	(6,411)
Other operating income/(expenses)		282	(3,556)
Share of (loss)/profit of associates		(281)	134
Finance costs	6	(900)	(1,885)
Profit/(loss) before tax	7	2,923	(586)
Income tax (expense)/credit	9	(506)	193
Profit/(loss) after tax		2,417	(393)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(30)	35
Share of foreign currency translation of associates		–	282
Total comprehensive income		2,387	(76)
Profit/(loss) after tax attributable to:			
Owners of the Company		2,417	(476)
Non-controlling interest		–	83
		2,417	(393)
Total comprehensive income attributable to:			
Owners of the Company		2,398	(159)
Non-controlling interest		(11)	83
		2,387	(76)
Earnings/(loss) per share			
Basic and Diluted (cents)	10	0.43	(0.09)

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

BALANCE SHEETS

As at 30 June 2021

	Note	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
ASSETS					
Non-current assets					
Investment in subsidiaries	11	–	–	82,076	82,076
Investment in associate	12	6,255	6,537	–	–
Right of use assets	23	4,763	8,620	–	–
Property, plant and equipment	13	9,365	10,324	–	–
Trademarks	14	387	528	–	–
Other receivables	16	598	912	–	–
Deferred tax assets	21	509	841	–	–
		21,877	27,762	82,076	82,076
Current assets					
Inventories	15	71,692	91,053	–	–
Trade and other receivables	16	54,319	53,148	13,051	13,052
Prepayments		70	132	–	3
Cash and bank balances	17	15,243	13,681	1,171	1,428
		141,324	158,014	14,222	14,483
Total assets		163,201	185,776	96,298	96,559
LIABILITIES					
Current liabilities					
Loans and borrowings	18	19,435	27,053	–	–
Bullion loans	19	–	3,055	–	–
Trade and other payables	20	21,226	30,420	89	11
Lease liabilities	23	3,407	4,375	–	–
Income tax payable		254	274	–	–
		44,322	65,177	89	11
NET CURRENT ASSETS		97,002	92,837	14,133	14,472
Non-current liabilities					
Loans and borrowings	18	13,069	14,230	–	–
Lease liabilities	23	952	3,849	–	–
Deferred tax liabilities	21	2	2	–	–
Trade and other payables	20	208	257	–	–
		14,231	18,338	–	–
Total liabilities		58,553	83,515	89	11
NET ASSETS		104,648	102,261	96,209	96,548
Equity attributable to owners of the Company					
Share capital	24	96,719	96,719	96,719	96,719
Merger reserve		(64,502)	(64,502)	–	–
Treasury shares	25	(698)	(698)	(698)	(698)
Translation reserve		719	738	–	–
Retained earnings		72,375	69,958	188	527
Equity attributable to equity holders		104,613	102,215	96,209	96,548
Non-controlling interest		35	46	–	–
Total equity		104,648	102,261	96,209	96,548

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2021

Group	Share capital $'000	Merger reserve $'000	Treasury shares $'000	Foreign currency translation reserve [1] $'000	Retained earnings $'000	Non-controlling Interest $'000	Total equity $'000
Opening balance as at 1 July 2020	96,719	(64,502)	(698)	738	69,958	46	102,261
Profit for the year	–	–	–	–	2,417	–	2,417
Other comprehensive income							
Foreign currency translation	–	–	–	(19)	–	(11)	(30)
Total comprehensive income	–	–	–	(19)	2,417	(11)	2,387
Closing balance as at 30 June 2021	96,719	(64,502)	(698)	719	72,375	35	104,648
Opening balance as at 1 April 2019	96,719	(64,502)	(698)	421	71,659	(37)	103,562
Loss for the period	–	–	–	–	(476)	83	(393)
Other comprehensive income							
Foreign currency translation	–	–	–	35	–	–	35
Share of foreign currency translation of associates	–	–	–	282	–	–	282
Total comprehensive income	–	–	–	317	(476)	83	(76)
Distributions to owners							
Dividends paid (Note 26)	–	–	–	–	(1,225)	–	(1,225)
Total transactions with owners in their capacity as owners	–	–	–	–	(1,225)	–	(1,225)
Closing balance as at 30 June 2020	96,719	(64,502)	(698)	738	69,958	46	102,261

[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.

Company	Share capital $'000	Treasury shares $'000	Retained earnings $'000	Total equity $'000
Closing balance as at 1 April 2019	96,719	(698)	1,996	98,017
Loss for the period	–	–	(244)	(244)
Total comprehensive income	–	–	(244)	(244)
Distributions to owners				
Dividends paid (Note 26)	–	–	(1,225)	(1,225)
Closing balance as at 30 June 2020 and 1 July 2020	96,719	(698)	527	96,548
Loss for the year	–	–	(339)	(339)
Total comprehensive income	–	–	(339)	(339)
Closing balance as at 30 June 2021	96,719	(698)	188	96,209

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

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 30 June 2021

	Group	
	1.7.2020 to 30.6.2021 $'000	**1.4.2019 to 30.6.2020 $'000**
Cash flows from operating activities		
Profit/(loss) before tax	2,923	(586)
Adjustments for:		
Depreciation of property, plant and equipment	1,030	1,208
Depreciation of right of use assets	4,435	4,919
Amortisation of trademarks	141	176
Interest expense	900	1,885
Share of loss/(profit) of associates	281	(134)
Loss on disposal of associate	–	171
(Write back of)/allowance for impairment of trade receivables	(539)	2,860
Fair value change of bullion loans	(134)	2,961
Unrealised exchange (gain)/loss	(134)	168
Bad debt written off	88	–
Loss on disposal of property, plant and equipment (Note (i))	13	–
Operating cash flows before working capital changes	9,004	13,628
Increase in trade and other receivables and prepayments	(1,629)	(1,303)
Decrease/(increase) in inventories	19,362	(4,312)
Decrease in trade and other payables	(7,763)	(3,168)
Cash flows generated from operations	18,974	4,845
Interest paid	(900)	(1,885)
Income tax paid, net	(194)	(575)
Net cash flows generated from operating activities	17,880	2,385
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	25	–
Payment of reinstatement costs	–	(61)
Purchase of property, plant and equipment (Note (ii))	(113)	(1,472)
Net cash flows used in investing activities	(88)	(1,533)
Cash flows from financing activities		
Proceeds from bank borrowings	5,000	27,000
Repayment of bank borrowings	(15,702)	(13,655)
Proceeds from bullion loans	–	26,697
Repayment of bullion loans	(2,921)	(33,421)
Increase in bills payable	1,968	671
Payment of principal portion of lease liabilities	(4,445)	(4,678)
New pledged fixed deposits with banks	–	(1,024)
Dividends paid	–	(1,225)
Net cash flows (used in)/generated from financing activities	(16,100)	365
Net increase in cash and cash equivalents	1,692	1,217
Net effect of exchange rates changes on the cash balance held in foreign currencies	(103)	(89)
Cash and cash equivalents at beginning of the financial year/period	11,157	10,029
Cash and cash equivalents at end of the financial year/period (Note 17)	12,746	11,157

(i) Loss on disposal of property, plant and equipment

During the financial year, the Group disposed property, plant and equipment with a carrying amount of $38,000 (2020: $Nil). Cash proceeds of $25,000 (2020: $Nil) were received on disposal of the property, plant and equipment.

(ii) Purchase of property, plant and equipment

During the year, the Group acquired property, plant and equipment of $113,000 (2020: $1,545,000) (Note 13). The additions include paid amounts of $113,000 (2020: $1,472,000), additions to reinstatement costs of $Nil (2020: $73,000).

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. The Group represents the continuation of Taka Jewellery Pte. Ltd. and its subsidiaries.

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

During the previous financial period, the Group has changed its financial year end from 31 March to 30 June. The previous financial period ended 30 June 2020 covers the 15 months period from 1 April 2019 to 30 June 2020. The current financial year ended 30 June 2021 covers the 12 months period from 1 July 2020 to 30 June 2021.

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

Name of subsidiary	Principal activities	Country of incorporation/ place of business	Proportion (%) of ownership interest 2021	2020
Held by the Company:				
Taka Jewellery Pte Ltd [(i)]	Wholesale and retail of jewellery	Singapore	100	100
Voi Hong Kong Limited [(ii)]	General trading and wholesaling	Hong Kong	100	100
Elite Equity Pte Ltd [(i)]	Investment holding	Singapore	100	100
Equity Fintech Pte Ltd [(i)]	Investment holding	Singapore	100	100
Held by Taka Jewellery Singapore Pte Ltd:				
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 [(iii)]	Wholesale of jewellery	Hong Kong	100	100
Taka Bullion Pte Ltd [(i)]	Gold bullion broker and trader	Singapore	100	100
Held by Taka Jewellery (Hong Kong) Limited:				
Taka Hong Kong Venture Limited [(ii)]	Investment holding	Hong Kong	70	70
Maoming Gaoda Zhubao Co. Ltd [(iv)]	Wholesale of jewellery	China	100	100
Held by Elite Equity Pte Ltd:				
Top Cash Pawnshop Pte Ltd [(i)]	Pawnbroking	Singapore	100	100
Held by Equity Fintech Pte Ltd:				
BizFintech Pte Ltd [(i)]	Secured lending	Singapore	100	100

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

(ii) Audited by East Asia Sentinel Limited, Certified Public Accountants, Hong Kong.

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

(iv) Not required to be audited by law of the country of incorporation.

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 (International) ("SFRS(I)").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("SGD" or "$") and all values in the tables are rounded to the nearest thousand ("$'000"), except when otherwise indicated.

2.2 ***Adoption of new and amended standards and interpretations***

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial period, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 July 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2.3 ***Standards issued but not yet effective***

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

Description	**Effective for annual periods beginning on or after**
Amendments to SFRS(I) 9 SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4, SFRS(I) 16: *Interest rate Benchmark Reform – Phase 2*	1 January 2021
Amendment to SFRS(I) 16: *Covid-19-Related Rent Concessions beyond 30 June 2021*	1 April 2021
Amendments to SFRS(I) 1-16: *Property, Plant and Equipment: Proceeds before Intended Use*	1 January 2022
Amendments to SFRS(I) 1-37 *Onerous Contracts: Cost of Fulfilling a Contract*	1 January 2022
Amendments to SFRS(I) 3 *Reference to the Conceptual Framework*	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current*	1 January 2023
Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 ***Revenue***

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) ***Sale of jewellery***

Revenue from sale of jewellery is recognised upon satisfaction of the identified performance obligation, which generally coincides with delivery and acceptance of promised goods sold, net of discounts, returns and applicable goods and services tax. 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 from financial services***

Interest income from financial services mainly relates to interest income from pawnbroking and secured lending and they are recognised on a time-proportion basis using the effective interest method.

(c) ***Dividend income***

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

(d) ***Rental income***

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

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 unrealised 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.

(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 an asset or liability are recognised in profit or loss.

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

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

(b) ***Business combinations (cont'd)***

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquire are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

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. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

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.

(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 investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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.

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

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

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.

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 ***Property, plant and equipment***

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment 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, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of property, plant and equipment 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 property, plant and equipment 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 property, plant and equipment as follows:

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

The carrying values of property, plant and equipment 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 property, plant and equipment 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 property, plant and equipment is included in profit or loss in the year the asset is derecognised.

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

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.

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.

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.

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 instruments***

(a) ***Financial assets***

<u>Initial recognition and measurement</u>

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

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

2.12 ***Financial instruments (cont'd)***

(a) ***Financial assets (cont'd)***

Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset.

(i) ***Amortised cost***

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through 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 for debt instruments is recognised in profit or loss.

(b) ***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. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, 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.

Financial liabilities that are carried at fair value through profit or loss are subsequently measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.13 ***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 measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.14 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

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

2.14 ***Impairment of financial assets***

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Loans and related interest receivable from the Group's financial services business

The Group uses the general approach and estimates for lifetime ECLs on the loans and related interest receivables. ECLs are based on the difference between the contractual cash flows due in accordance with the contractual terms of the loans and all the cash flows that the Group expects to receive from the sale of collateral held.

For pawnshop loans, the Group considers a financial asset in default upon non-redemption of pawn articles leading to termination of the pawn contracts and forfeiture of the collateral held by the Group. The Group estimates the probability of default based on historical experience of terminated contracts and consideration of forward-looking factors.

Trade receivables from the Group's jewellery business

The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its evaluation of debt collectability, analysis of historical write-offs and credit losses, aging analysis of trade receivables and consideration of forward-looking factors specific to the debtors and economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.15 ***Leases***

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Retail outlets	–	lower of lease period or 5 years
Motor vehicles	–	10 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.11.

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

2.15 ***Leases (cont'd)***

As lessee (cont'd)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the remaining lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group has applied the amendment to SFRS(I) 16 Leases: *Covid-19-Related Rent Concessions*. The Group applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Rental income is accounted for on a straight-line basis over the lease terms.

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.

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.

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

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

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

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.

2.19 ***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 banks including fixed deposits and cash on hand, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.22 ***Government grants***

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented under other income.

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

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 32, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.24 ***Borrowing costs***

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.25 ***Contingencies***

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group.

2.26 ***Treasury shares***

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

3. Significant accounting judgements and estimate

The preparation of the Group's consolidated financial statements requires management to make judgements, 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. Management is of the opinion that there is no significant judgement made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

3.1 ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgements and estimate (cont'd)

3.1 ***Key sources of estimation uncertainty (cont'd)***

Allowance for impairment of trade receivables

The Group uses a provision matrix to calculate ECLs for its trade receivables from exhibition jewellery sales. The provision matrix is based on the Group's evaluation of collectability, analysis of historical observed default rates and aging analysis of trade receivables. The Group will calibrate the matrix to adjust for forward-looking factors specific to the debtors and economic factors that may affect the recoverability of the trade receivables. At each reporting date, the historical observed default rates are updated and changes in the forward-looking factors are analysed.

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

In assessing the ultimate realisation of the trade receivables, the Group also considers the current creditworthiness and past collection history of its customers. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional specific allowances may be required. The carrying amount of the Group's trade receivables at the end of the reporting period is disclosed in Note 16 to the financial statements.

Allowance for 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 the market and economic conditions prevailing at the reporting date, where the appropriate amount of allowance is determined by considering the age of inventories, market prices for gold, expected and current demand and rework costs. 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	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Recognised at a point in time		
Sale of jewellery	93,832	111,022
Recognised over time		
Interest income from financial services	3,001	3,099
	96,833	114,121

5. Other operating income

	Group	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Government grants	1,483	1,170
Sundry income	102	115
Rental income	–	155
COVID-19-related rent concessions	242	775
	1,827	2,215

Government grants relate to Wage Credit scheme ("WCS"), Temporary Employment Credit ("TEC"), Special Employment Credit ("SEC") and Jobs Support scheme ("JSS") claims from the government.

Jobs Support Scheme

The JSS was introduced to provide wage support to employers to retain local employees during the period of economic uncertainty. Under the JSS, the Government co-funds the first $4,600 of gross monthly wages paid to each local employee.

During the financial year ended 30 June 2021, the Group has recognised JSS grant income of $1,274,000 (2020: $1,098,000).

COVID-19-related rent concessions

The Group received rent concessions as part of the COVID-19 support under the Rental Relief Framework, which provides for mandated equitable co-sharing of rental obligations between the Government, landlords and tenants.

The Rental Relief Framework requires qualifying property owners which have received support via a government cash grant to in turn provide the necessary rental relief to their eligible Small and Medium Enterprises ("SMEs") and specified Non-Profit Organisations tenant-occupiers of the prescribed properties.

6. Finance costs

	Group	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Interest expense on:		
- Bank loans	657	1,222
- Bills payable	16	30
- Bullion loans	8	248
- Lease liabilities	219	385
	900	1,885

7. Profit/(loss) before tax

The following items have been included in arriving at profit/(loss) before tax:

	Group	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Employee compensation (Note 8)	10,974	13,031
Depreciation of right-of-use assets (Note 23)	4,435	4,919
Depreciation of property, plant and equipment (Note 13)	1,030	1,208
Loss on disposal of property, plant and equipment	13	–
Amortisation of trademarks (Note 14)	141	176
(Write back of)/allowance for impairment of trade receivables (Note 16)	(539)	2,860
Bad debt written off	88	–
Net fair value (gain)/loss on bullion loans designated as financial liabilities at fair value through profit or loss	(134)	2,961
Net foreign currency exchange loss	86	525
Loss on disposal of associate	–	171
Audit fees:		
– Auditor of the Company	157	181
– Other auditors	5	6
Non-audit fees:		
– Other auditors	40	57

8. Employee compensation

	Group	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Short-term employment benefits	10,083	11,981
Employer's contribution to Central Provident Fund	891	1,050
	10,974	13,031

9. Income tax expense/(credit)

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the financial year/period ended are:

	Group	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Statement of comprehensive income:		
Current income tax		
Current year	263	167
(Over)/under-provision in respect of prior years	(89)	20
	174	187
Deferred income tax		
Current year	156	(380)
Under-provision in respect of prior years	176	–
	332	(380)
Income tax expense/(credit) recognised in profit or loss	506	(193)

Reconciliation between tax expense/(credit) and profit/(loss) before tax

The reconciliation between tax expense/(credit) and the product of profit/(loss) before tax multiplied by the applicable corporate tax rate for the financial year/period ended are as follows:

	Group	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Profit/(loss) before tax	2,923	(586)
Tax at domestic rates applicable to profits in the countries where the Group operates	549	(107)
Adjustments:		
Non-deductible expenses	80	321
Income not subject to tax	(206)	(196)
Tax effect of partial tax exemption, tax relief, enhanced allowance and effect of double tax deduction*	(35)	(203)
Benefits from previously unrecognised tax assets	(1)	(8)
Deferred tax assets not recognised	2	–
Under-provision in respect of prior years	87	20
Share of results of associate	48	(22)
Others	(18)	2
Income tax expense/(credit) recognised in profit or loss	506	(193)

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

* 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. Earnings/(loss) per share

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

	Group	
	2021	**2020**
	$'000	**$'000**
Profit/(loss) for the year/period attributable to owners of the Company used in computation of earnings/(loss) per share	2,417	(476)
	No. of shares	**No. of shares**
Weighted average number of ordinary shares for basic and diluted earnings per share	559,406,000	559,406,000

The weighted average number of ordinary shares refers to shares outstanding during the reporting period.

11. Investment in subsidiaries

	Company	
	2021	**2020**
	$'000	**$'000**
Shares, at cost	82,076	82,076

Details of subsidiaries of the Group are disclosed in Note 1.

12. Investment in associate

	Group	
	2021	**2020**
	$'000	**$'000**
Shares, at cost	2,500	2,500
Share of post-acquisition reserves	3,755	4,037
	6,255	6,537

Details of associate of the Group is as follows:

Name of associates	Principal activities	Country of incorporation/ place of business	Proportion (%) of ownership interest	
			2021	**2020**
Held through subsidiaries:				
Globe Diamonds Pte Ltd [(i)]	Wholesale of diamonds	Singapore	50	50

(i) Audited by MT & Partners LLP

12. Investment in associate (cont'd)

The summarised financial information of Globe Diamonds Pte Ltd, based on its SFRS(I) financial statements including consolidation adjustments, and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

	Group	
	2021	**2020**
	$'000	**$'000**
Summarised balance sheet		
Non-current assets	15,587	13,583
Current assets	9,547	11,834
Total assets	25,134	25,417
Non-current liabilities	12,191	10,287
Current liabilities	433	2,057
Total liabilities	12,624	12,344
Net assets	12,510	13,073
Proportion of the Group's ownership	50%	50%
Group's share of net assets, representing carrying amount of investment	6,255	6,537
Summarised statement of comprehensive income		
Revenue	7,587	16,054
(Loss)/profit after tax	(562)	740
Other comprehensive income	–	564
Total comprehensive income	(562)	1,304

On 24 February 2020, the Board of Directors (the "Board" or "Directors") of TLV Holdings Limited (the "Company", together with its subsidiaries, the "Group"), announced that Taka Hong Kong Venture Limited ("Taka HK Venture"), a 70% owned subsidiary of the Company, entered into a Sale and Purchase Agreement ("SPA") with Maoming Liutao Zhubao Chuangyi Chanye Co. Ltd 茂名六韬珠宝创意产业有限公司 ("MMLT" or the "Purchaser") for the disposal of its 49% equity interest in 茂名市世茂珠宝有限公司 ("Shimao Jewellery") (the "Disposal"). Taka HK Venture agreed to dispose its 49% in the existing paid-up capital ("Sale Shares") of Shimao Jewellery for a payment in kind amounting to RMB594,000(approximately $116,000) (the "Consideration"). The net asset value represented by such shares was $122,000 as at 30 June 2019. Both parties agreed that the Consideration be satisfied by way of in-specie distribution of Shimao Jewellery's existing stock, at cost, from MMLT upon settlement of the assets and liabilities in Shimao Jewellery to existing shareholders based on the Shimao Jewellery's audited financial statement ended 30 June 2019. Upon completion of the Disposal on 12 March 2020, Shimao Jewellery ceased to be an associated company of Taka HK Venture and the Group.

12. Investment in associate (cont'd)

The share of net assets of Shimao Jewellery recorded in the consolidated financial statements and the effects of the disposal were:

	Group 2020 $'000
Summarised balance sheet	
Non-current assets	19
Current assets	376
Total assets	395
Total liabilities	146
Net assets	249
Proportion of the Group's ownership	49%
Group's share of net assets	122
Goodwill on acquisition	165
Carrying amount of the investment	287
Loss on disposal of associate	
Distribution in specie	116
Carrying amount of investment de-recognised	(287)
Loss on disposal of associate	(171)

13. Property, plant and equipment

Group	Leasehold properties	Furniture and fittings and office equipment	Motor vehicles	Renovation	Total
	$'000	$'000	$'000	$'000	$'000
Cost					
At 1 April 2019	10,750	1,413	2,005	1,712	15,880
Effect of adoption of SFRS(I) 16	–	–	(1,349)	–	(1,349)
At 1 April 2019 (restated)	10,750	1,413	656	1,712	14,531
Additions	–	590	–	955	1,545
Write off	–	(82)	–	(277)	(359)
At 30 June 2020 and 1 July 2020	10,750	1,921	656	2,390	15,717
Additions	–	27	70	16	113
Disposal/write off	–	(5)	(84)	–	(89)
Translation differences	–	–	–	(3)	(3)
At 30 June 2021	10,750	1,943	642	2,403	15,738
Accumulated depreciation					
At 1 April 2019	1,830	1,100	708	1,275	4,913
Effect of adoption of SFRS(I) 16	–	–	(369)	–	(369)
At 1 April 2019 (restated)	1,830	1,100	339	1,275	4,544
Charge for the period	324	285	91	508	1,208
Write off	–	(82)	–	(277)	(359)
At 30 June 2020 and 1 July 2020	2,154	1,303	430	1,506	5,393
Charge for the year	259	273	73	425	1,030
Disposal/write off	–	(5)	(46)	–	(51)
Translation differences	–	–	–	1	1
At 30 June 2021	2,413	1,571	457	1,932	6,373
Net carrying amount					
At 30 June 2021	8,337	372	185	471	9,365
At 30 June 2020	8,596	618	226	884	10,324

Leasehold properties with a carrying amount of $6,470,000 (2020: $6,686,000) is pledged to secure the Group's bank borrowings (Note 18).

Additions for the year include reinstatement cost capitalised of $Nil (2020: $73,000) (Note 22).

14. Trademarks

	Group $'000
Cost	
As at 1 April 2019, 30 June 2020, 1 July 2020 and 30 June 2021	1,408
Accumulated amortisation	
As at 1 April 2019	704
Charge for the period	176
As at 30 June 2020 and 1 July 2020	880
Charge for the year	141
As at 30 June 2021	1,021
Net carrying value	
As at 30 June 2021	387
As at 30 June 2020	528

Trademarks relate to the "Taka Jewellery" trademarks. The remaining useful life of these trademarks is approximately 3 (2020: 4) years.

The amortisation of trademarks is included in the "Other operating income/(expense)" line item in profit or loss.

15. Inventories

	Group	
	2021 $'000	2020 $'000
Balance sheet:		
Finished goods and goods for resale, at lower of cost and net realisable value	42,568	60,742
Raw materials, at cost	29,124	30,311
Total inventories at lower of cost and net realisable value	71,692	91,053
Consolidated statement of comprehensive income:		
Inventories recognised as an expense in cost of sales	74,892	84,286

16. Trade and other receivables

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Non-current				
Rental deposits	598	912	–	–
Current				
Trade receivables:				
Third parties	51,973	51,338	–	–
Other receivables:				
Third parties	1,407	552	1	2
Deposits	538	552	–	–
Advances to suppliers	401	706	–	–
Amount due from subsidiary	–	–	13,050	13,050
	2,346	1,810	13,051	13,052
Total current receivables	54,319	53,148	13,051	13,052
Total trade and other receivables	54,917	54,060	13,051	13,052
Add/(less):				
Advances to suppliers	(401)	(706)	–	–
Cash and cash equivalents (Note 17)	15,243	13,681	1,171	1,428
GST receivable	(6)	(2)	(1)	(2)
Grant receivable	(195)	(361)	–	–
Total financial assets carried at amortised cost	69,558	66,672	14,221	14,478

Trade receivables are non-interest bearing and are generally on 30 to 180 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The amount due from subsidiary is unsecured, interest-free, repayable on demand and to be settled in cash.

Trade and other receivables denominated in foreign currencies at the end of the financial year/period are as follows:

	Group	
	2021	2020
	$'000	$'000
United States Dollars	17,247	22,421
Hong Kong Dollars	1,080	199

16. Trade and other receivables (cont'd)

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Group	
	2021	2020
	$'000	$'000
Movement in allowance accounts:		
At beginning of year/period	7,701	4,847
Charge for the year/period	–	2,990
Write-back	(539)	(130)
Written off	–	(6)
Exchange differences	(329)	–
At end of year/period	6,833	7,701

17. Cash and bank balances

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Fixed deposits pledged with banks	2,497	2,524	–	–
Cash at bank	11,530	9,784	1,171	1,428
Cash on hand	1,216	1,373	–	–
	15,243	13,681	1,171	1,428

Fixed deposits are pledged for bank borrowings and bear interest at 0.07% to 0.35% (2020: 0.75% to 1.36%) per annum.

A floating charge has been placed on cash and bank balances with a carrying value of $432,000 (2020: $1,254,000) as security for bank borrowings (Note 18).

Cash and bank balances denominated in foreign currencies as at the end of the financial year/period are as follows:

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
United States Dollars	3,339	1,211	–	–
Hong Kong Dollars	577	354	–	–
Chinese Renminbi	4	76	–	–

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following:

	Group	
	2021	2020
	$'000	$'000
Cash at bank	11,530	9,784
Cash on hand	1,216	1,373
Cash and cash equivalents	12,746	11,157

18. Loans and borrowings

	Group	
	2021	2020
	$'000	$'000
Current		
Bills payable	2,598	675
Revolving loans	10,500	22,000
Floating rate term loans	4,516	4,274
Fixed rate term loan	1,821	104
	19,435	27,053
Non-current		
Floating rate term loans	4,892	9,334
Fixed rate term loan	8,177	4,896
	13,069	14,230
Total loans and borrowings	32,504	41,283

Bills payable, revolving loans, floating rate term loans and fixed rate term loan

Bills payable bears interest at 1.69% (2020: 2.54%) per annum and are repayable within 120 days (2020: 120 days). Bills payable are denominated in United States Dollars.

Revolving loans bear interest at rates ranging from 1.50% to 2.04% (2020: 1.50% to 1.90%) per annum. The revolving loans are due for repayment within the next one month from the end of the reporting period.

Floating rate term loans bear interest at rates ranging from 1.50% to 2.00% (2020: 1.90% to 3.53%) per annum. The loans mature between 1 to 22 (2020: 1 to 23) years as at 30 June 2021. Floating rate term loans amounting to $4,542,000 (2020: $4,556,000) are secured by first mortgage over leasehold properties (Note 13) owned by the Group.

Fixed rate term loans bear interest at rate at 2.24% to 3.75% (2020: 2.25%) per annum and are expected to be fully repaid by March 2026.

Certain bank borrowings are secured by pledge of fixed deposits and floating charge on the subsidiary's cash and bank balances as disclosed in Note 17.

All bank borrowings are secured by corporate guarantee from the Company. An amount of $11,500,000 (2020: $14,000,000) is also secured by corporate guarantee from a subsidiary.

18. Loans and borrowings (cont'd)

A reconciliation of liabilities arising from financing activities is as follows:

	1.7.2020 $'000	Cash flows $'000	Non-cash changes: Addition/ modification $'000	Non-cash changes: Accretion of interest $'000	Non-cash changes: Fair value gain $'000	Other [1] $'000	30.6.2021 $'000
Revolving loans	22,000	(11,770)	–	270	–	–	10,500
Bills payable	675	1,952	–	16	–	(45)	2,598
Floating rate term loans							
- Current	4,274	(4,413)	–	213	–	4,442	4,516
- Non-current	9,334	–	–	–	–	(4,442)	4,892
Fixed rate term loan							
- Current	104	439	–	174	–	1,104	1,821
- Non-current	4,896	4,385	–	–	–	(1,104)	8,177
Lease liabilities (Note 23)							
- Current	4,375	(4,422)	277	219	–	2,958	3,407
- Non-current	3,849	–	303	–	–	(3,200)	952
Bullion loans (Note 19)	3,055	(2,929)	–	8	(134)	–	–
Total	52,562	(16,758)	580	900	(134)	(287)	36,863

	1.4.2019 $'000	Cash flows $'000	Non-cash changes: Addition $'000	Non-cash changes: Accretion of interest $'000	Non-cash changes: Fair value loss $'000	Other [1] $'000	30.6.2020 $'000
Revolving loans	13,500	7,833	–	667	–	–	22,000
Bills payable	–	641	–	30	–	4	675
Floating rate term loans							
- Current	3,743	(2,632)	–	491	–	2,672	4,274
- Non-current	10,020	1,922	–	64	–	(2,672)	9,334
Fixed rate term loan							
- Current	–	104	–	–	–	–	104
- Non-current	–	4,896	–	–	–	–	4,896
Lease liabilities (Note 23)							
- Current	2,806	(4,421)	1,938	344	–	3,708	4,375
- Non-current	4,445	(642)	3,713	41	–	(3,708)	3,849
Bullion loans (Note 19)	6,836	(6,972)	–	248	2,961	(18)	3,055
Total	41,350	729	5,651	1,885	2,961	(14)	52,562

[1] 'Other' column relates to reclassification of non-current portion of loans and borrowings due to passage of time, effect of foreign exchange on loans and borrowings denominated in foreign currencies and rental rebates.

19. Bullion loans

Bullion loans were borrowed to reduce the impact of fluctuation of bullion prices on bullion inventories. Bullion loans are designated as financial liabilities at fair value through profit or loss as they are managed and their performance are evaluated on a fair value basis.

As at 30 June 2020, the bullion loans are pegged to market bullion prices, carries fixed interest rate ranging from 2.5% to 2.8% per annum and are due for repayment within 3 months. Bullion loans were fully repaid during the year.

The bullion loans are denominated in United States Dollars.

20. Trade and other payables

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Non-current				
Provision for reinstatement cost (Note 22)	208	257	–	–
Current				
Trade payables:				
Third parties	15,272	23,066	–	–
Associates	3,199	5,067	–	–
	18,471	28,133	–	–
Other payables:				
Third parties	673	239	–	2
Accrued expenses	2,004	2,018	89	9
Provision for reinstatement cost (Note 22)	78	30	–	–
Total current trade and other payables	21,226	30,420	89	11
Total trade and other payables	21,434	30,677	89	11
Add/(less):				
Loans and borrowings (Note 18)	32,504	41,283	–	–
Lease liabilities (Note 23)	4,359	8,224	–	–
GST payable	(149)	(150)	–	–
Provision for reinstatement cost (Note 22)	(286)	(287)	–	–
Deferred grant income	(390)	–	–	–
Total financial liabilities at amortised cost	57,472	79,747	89	11

Trade payables are non-interest bearing and are normally settled on 210 days term.

Trade and other payables denominated in foreign currencies at the end of the financial period/year are as follows:

	Group	
	2021	**2020**
	$'000	**$'000**
United States Dollars	18,551	27,522
Hong Kong Dollars	203	–

21. Deferred tax

	Group			
	Balance sheet		Consolidated statement of comprehensive income	
	2021	2020	1.7.2020 to 30.6.2021	1.4.2019 to 30.6.2020
	$'000	$'000	$'000	$'000
Deferred tax asset/(liabilities)				
Property, plant and equipment	20	(40)	60	40
Intangible assets	(66)	(90)	24	30
Leases	35	42	(7)	42
Provisions	488	544	(56)	(115)
Unutilised items	4	383	(379)	383
Others	26	–	26	–
	507	839	(332)	380
Represented by:				
Deferred tax assets	509	841		
Deferred tax liabilities	(2)	(2)		
	507	839		

At the end of the reporting period, the subsidiaries of the Group have unutilised tax losses of approximately $22,000 (2020: $107,000) that are available for offset against future taxable profits of these subsidiaries in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of their 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.

22. Provision for reinstatement cost

	Group	
	2021	2020
	$'000	$'000
At beginning of year/period	287	275
Additions (Note 13)	–	73
Utilisation	–	(61)
Translation difference	(1)	–
At end of year/period	286	287
Comprise:		
Current	78	30
Non-current	208	257
Total provision for reinstatement cost (Note 20)	286	287

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

23. Leases

Group as a lessee

The Group has lease contracts for retail and office premise and motor vehicles. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension options and variable lease payments which are further discussed below.

The Group also has certain leases with lease terms of 12 months or less and leases of equipment with low value. The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption for these leases.

(a) ***Right-of-use assets***

Group	Retail and office premise	Motor vehicles	Total
	$'000	$'000	$'000
Cost			
At 1 April 2019	6,908	1,349	8,257
Additions	5,651	–	5,651
Disposal	(603)	–	(603)
At 30 June 2020 and 1 July 2020	11,956	1,349	13,305
Additions	70	–	70
Modifications	510	–	510
Translation differences	(5)	–	(5)
At 30 June 2021	12,531	1,349	13,880
Accumulated depreciation			
At 1 April 2019	–	369	369
Charge for the period	4,750	169	4,919
Disposal	(603)	–	(603)
At 30 June 2020 and 1 July 2020	4,147	538	4,685
Charge for the year	4,300	135	4,435
Translation differences	(3)	–	(3)
At 30 June 2021	8,444	673	9,117
Net carrying amount			
At 30 June 2021	4,087	676	4,763
At 30 June 2020	7,809	811	8,620

(b) ***Lease liabilities***

	Group	
	2021	2020
	$'000	$'000
Current	3,407	4,375
Non-current	952	3,849
	4,359	8,224

The movement of lease liabilities during the period are disclosed in Note 18. The maturity analysis of lease liabilities is disclosed in Note 29.

23. Leases (cont'd)

Group as a lessee (cont'd)

(c) ***Amounts recognised in profit or loss***

	Group	
	1.7.2020 to 30.6.2021	**1.4.2019 to 30.6.2020**
	$'000	**$'000**
Depreciation of right-of-use assets	4,435	4,919
Interest expense on lease liabilities	219	385
Lease expenses not capitalised in lease liabilities		
- Expenses relating to short-term leases	52	579
- Expenses relating to variable leases	299	254
COVID-19-related rent concessions	(242)	(775)
Total amount recognised in profit or loss	4,763	5,362

(d) ***Total cash outflow***

The Group had total cash outflows for leases of $4,531,000 in 2021 (2020: $5,896,000).

(e) ***Extension options***

The Group has several lease contracts that includes extension options. The options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension options that are not included in the lease term:

	Group		
	Within five years	**More than five years**	**Total**
	$'000	**$'000**	**$'000**
30.6.2021			
Extension options expected not to be exercised	2,288	171	2,459
30.6.2020			
Extension options expected not to be exercised	2,145	314	2,459

Group as lessor

The Group has entered into operating lease on its leasehold property (Note 13). Rental income from leasehold property is disclosed in Note 5.These non-cancellable leases have remaining lease terms of Nil (2020: Nil) years.

There are no future minimum rental receivables under non-cancellable operating leases contracted for at the reporting period.

24. Share capital

	Group and Company			
	2021	2020	2021	2020
	Number of shares		$'000	$'000
Issued and fully paid ordinary shares:				
At beginning and end of financial year/period	565,506,000	565,506,000	96,719	96,719

The holders of the ordinary shares are 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.

25. Treasury shares

	Group and Company			
	2021	2020	2021	2020
	Number of shares		$'000	$'000
At beginning and end of period/year	6,100,000	6,100,000	698	698

Treasury shares relate to ordinary shares of the Company that is held by the Company.

26. Dividends

	Group and Company	
	2021	2020
	$'000	$'000
Declared and paid during the financial period/year:		
Dividend on ordinary shares:		
- Final exempt (one-tier) dividend for 2021: Nil cents (2020: 0.219 cents) per share	–	1,225

27. 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	
	2021	2020
	$'000	$'000
Sale of goods to associate	(26)	(36)
Purchases of goods from associate	6,934	15,111

27. Related party transactions

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

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

	Group	
	2021	2020
	$'000	$'000
Short-term employment benefits	2,352	2,977
Employer's contributions to Central Provident Fund	61	83
	2,413	3,060
Comprise amounts paid to:		
Directors of the Company	1,878	2,296
Other key management personnel	535	764
	2,413	3,060

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.

28. Contingent liabilities

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Secured bank loan and credit facilities granted to an associate	12,461	10,758	–	–
Secured bank loan and credit facilities granted to subsidiaries	–	–	32,504	44,338

The Company has agreed to provide continuing financial support to certain subsidiaries.

29. 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, foreign currency risk and commodity price 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.

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

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.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments when they fall due and there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower

- A breach of contract, such as a default or past due event

- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization

Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are classes of financial assets that are exposed to credit risk:

Trade receivables from the Group's financial services business

Pawnshop loans and secured lending receivables are collaterised whereby the quantum of loans granted to customers is based on a fraction of the value of the collaterals pledged to the Group. Although the collateral does not influence whether the financial instrument has a low credit risk, the expected cash flows in the assessment of net lifetime expected credit losses will include cash flows from the sale of collateral held.

The Group uses a provision matrix to estimate the allowance for expected credit losses for these loans. The key inputs of the ECL model are the probability of default and loss given default. For pawnshop loans, the Group has estimated the probability of default being the forfeiture of the customers' pledges based on historical non-redemption data of its pawnshop outlets. The Group has estimated the loss given default as the amount of loss exposure at default after considering the expected realisable value of the customers' pledges.

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

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

Trade receivables from the Group's jewellery business

The Group applies the simplified approach and recognises a loss allowance based on lifetime ECLs at each reporting date. Trade receivables that are credit impaired are assessed for impairment by making debtor-specific assessment. The ECL model considers the Group's assessment of the collectability, analysis of historical analysis and credit losses, and aging analysis of trade receivables.

Summarised below is the information about the credit risk exposure on the Group's trade receivables from the group's jewellery business using provision matrix.

	Less than 1 year	1-3 years	More than 3 years	Total
	$'000	$'000	$'000	$'000
30.6.2021				
Gross carrying amount	4,951	13,528	6,747	25,226
Loss allowance	(22)	(975)	(5,821)	(6,818)
30.6.2020				
Gross carrying amount	11,806	13,737	5,137	30,680
Loss allowance	(218)	(2,330)	(5,122)	(7,670)

Amount due from subsidiary

The Company assessed that there is no indication of a significant deterioration in credit risk based on the financial performance of its subsidiary. The Company uses the general approach and recognises loss allowance based on 12-month ECL on the financial asset.

Information regarding the loss allowance provision as at 30 June 2021 and 2020 are disclosed in Note 16.

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.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the business segment 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	
	2021	2020
	$'000	$'000
Business segment		
Retail	373	200
Exhibitions	18,035	22,810
Financial services	33,565	28,328
	51,973	51,338

There is a single debtor within the exhibitions segment whose trade receivables represented 20% (2020: 23%) of total trade receivables for the financial year ended 30 June 2021.

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

(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 60% (2020: 66%) of the Group's loans and 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 lender.

Analysis of financial instruments by remaining contractual maturities

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

	Group			
	One year or less	One to five years	Over five years	Total
	$'000	$'000	$'000	$'000
30.6.2021				
Financial liabilities:				
Trade and other payables	20,609	–	–	20,609
Loans and borrowings	19,767	10,017	4,399	34,183
Lease liabilities	3,494	962	–	4,456
Total undiscounted financial liabilities	43,870	10,979	4,399	59,248
30.6.2020				
Financial liabilities:				
Trade and other payables	30,240	–	–	30,240
Loans and borrowings	27,623	12,119	5,565	45,307
Bullion loans	3,064	–	–	3,064
Lease liabilities	4,581	4,449	–	9,030
Total undiscounted financial liabilities	65,508	16,568	5,565	87,641

At the end of the reporting period, all of the Company's financial liabilities will mature in less than one year based on the carrying amounts reflected in the financial statements.

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

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

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 is allocated to the earliest period in which the guarantee could be called.

	30.6.2021				30.6.2020			
	One year or less	One to five years	Over five years	Total	One year or less	One to five years	Over five years	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
Financial guarantees	1,003	2,836	8,622	12,461	1,097	1,956	7,705	10,758
Company								
Financial guarantees	19,435	9,341	3,728	32,504	30,109	10,729	3,500	44,338

(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 30 June 2021, if interest rates had been 100 basis points lower/higher with all other variables held constant, the Group's profit/(loss) before tax would have been approximately $225,000 (2020: $223,000) higher/lower, arising mainly as a result of lower/higher interest expense on 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 Singapore Dollars ("SGD"). The foreign currency in which these transactions are denominated are mainly United States Dollars ("USD") and Hong Kong Dollars ("HKD"), resulting in the Group's trade and other receivables, trade and other payables, and bullion loans at the balance sheet date to have such currency exposures.

The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes. As at 30 June 2021 and 30 June 2020, 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/(loss) before 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.

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

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

Sensitivity analysis for foreign currency risk (cont'd)

	Group	
	Profit before tax Increase/ (decrease)	**(Loss) before tax (Increase)/ decrease**
	2021	**2020**
	$'000	**$'000**
Against SGD		
USD		
- strengthened 1% (2020: 1%)	(6)	(76)
- weakened 1% (2020: 1%)	6	76
HKD		
- strengthened 1% (2020: 1%)	15	10
- weakened 1% (2020: 1%)	(15)	(10)

(e) ***Commodity price risk***

The bullion market is influenced by global as well as regional supply and demand conditions. A significant decline in prices of bullion could adversely affect the Group's financial performance. In order to reduce the commodity price risk, the Group uses bullion loans to reduce its exposure to fluctuation in the bullion prices on bullion inventories. The bullion price exposures are monitored by management.

A 10% decrease/increase in market prices of bullion at 30 June 2021 would increase/decrease the Group's profit/(loss) before tax by $Nil (2020: $306,000) respectively.

30. Fair values of financial instruments

(a) ***Fair value hierarchy***

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

30. Fair values of financial instruments (cont'd)

(b) ***Liabilities measured at fair value***

The following table shows an analysis of each class of liabilities measured at fair value at the end of the financial year:

Group	Quoted prices in active markets for identical instruments (Level 1) $'000	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
30 June 2020				
Liabilities measured at fair value				
Financial liabilities				
At fair value through profit or loss				
- Bullion loans (Note 19)	3,055	–	–	3,055

(b) ***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 balanes, trade and other receivables, trade and other payables*

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

(ii) *Loans and borrowings and lease liabilities*

The carrying amount of the loans and borrowings and lease liabilities 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.

(c) ***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			
	2021		2020	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Financial assets				
Rental deposits (non-current)	598	582	912	871

31. 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 year/period ended 30 June 2021 and 30 June 2020.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings less cash and bank balances to better reflect capital management per industry practice. Capital relates to equity attributable to the owners of the Company.

	Group	
	2021	**2020**
	$'000	**$'000**
Loans and borrowings (Note 18)	32,504	41,283
Bullion loans (Note 19)	–	3,055
Lease liabilities (Note 23)	4,359	8,224
Less: Cash and bank balances (Note 17)	(15,243)	(13,681)
Net debt	21,620	38,881
Equity attributable to the owners of the Company	104,613	102,215
Capital and net debt	126,233	141,096
Gearing ratio	17.1%	27.6%

32. Segment information

The Group has organised its businesses into three broad segments based on the Group's current management reporting structure and nature of operations. The Group's business segments are as follows:

(a) ***Exhibitions***

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

(b) ***Retail***

This relates to the sale of jewellery to customers at retail outlets, promotional events and headquarters.

(c) ***Financial services***

This relates to the existing pawn-broking business and the secured lending business. Due to the expansion and growth of the segment, the management now monitors the operating results separately.

32. Segment information (cont'd)

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.

	Exhibitions	Retail	Financial Services	Unallocated	Elimination		Total
	$'000	$'000	$'000	$'000	$'000		$'000
2021							
Segment revenue:							
External sales	25,603	68,229	3,001	–	–		96,833
Intersegment sales	–	1,668	1,162	–	(2,830)		–
Total revenue	25,603	69,897	4,163	–	(2,830)		96,833
Results:							
Segment results	4,855	3,675	1,016	–	–		9,546
Unallocated expenses (net)	–	–	–	(5,442)	–	A	(5,442)
Finance costs	(2)	(260)	(237)	(401)	–		(900)
Share of profit from associates	–	(281)	–	–	–		(281)
Profit/(loss) before tax	4,853	3,134	779	(5,843)	–		2,923
Tax expense	–	–	–	(506)	–		(506)
Profit/(loss) after tax	4,853	3,134	779	(6,349)	–		2,417
Segment assets and liabilities:							
Segment assets	47,174	78,006	36,342	1,679	–	B	163,201
Segment liabilities	14,653	31,546	12,011	343	–	C	58,553
Other segmental information:							
Depreciation of property, plant and equipment	165	776	89	–	–		1,030
Capital expenditure	73	12	28	–	–		113
Investment in associates	–	6,255	–	–	–		6,255
Non-current assets	3,340	17,511	517	509	–		21,877

32. Segment information (cont'd)

	Exhibitions	Retail	Financial Services	Unallocated	Elimination		Total
	$'000	$'000	$'000	$'000	$'000		$'000
2020							
Segment revenue:							
External sales	49,040	61,982	3,099	–	–		114,121
Intersegment sales	–	668	934	–	(1,602)		–
Total revenue	49,040	62,650	4,033	–	(1,602)		114,121
Results:							
Segment results	4,528	1,830	1,062	–	–		7,420
Unallocated expenses (net)	–	–	–	(6,255)	–	A	(6,255)
Finance costs	–	(342)	(442)	(1,101)	–		(1,885)
Share of profit from associates	–	134	–	–	–		134
Profit/(loss) before tax	4,528	1,622	620	(7,356)	–		(586)
Tax credit	–	–	–	193	–		193
Profit/(loss) after tax	4,528	1,622	620	(7,163)	–		(393)
Segment assets and liabilities:							
Segment assets	79,765	73,277	31,301	1,433	–	B	185,776
Segment liabilities	34,575	33,767	14,886	287	–	C	83,515
Other segmental information:							
Depreciation of property, plant and equipment	258	832	118	–	–		1,208
Capital expenditure	148	1,144	253	–	–		1,545
Investment in associates	–	6,537	–	–	–		6,537
Non-current assets	7,828	19,167	767	–	–		27,762

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

A Unallocated corporate expenses items amounting to $5,442,000 (2020: $6,255,000) mainly relates to distribution costs, administrative expenses and other operating expenses.

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

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

	Group	
	2021	2020
	$'000	$'000
Income tax payable	254	274
Deferred tax liabilities	2	2
Unallocated corporate trade and other payables	87	11
	343	287

32. Segment information (cont'd)

Geographical segment

The above primary segment information reflects the management reporting structure and nature of operations wherein the Group's financial services segment are carried out locally in Singapore and exhibitions are conducted overseas. The customers of exhibition sales are primarily overseas customers, while customers of retail sales and pawnbroking 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 associate, property, plant and equipment, trademarks and non-current other receivables and are substantially located in Singapore.

Information on major customers

Revenue from one major customer amount to approximately $Nil (2020: $1.4 million), arising from the exhibitions segment.

33. Authorisation of financial statements for issue

The financial statements for the year ended 30 June 2021 were authorised for issue in accordance with a resolution of the Directors on 30 September 2021.

STATISTICS OF SHAREHOLDINGS

As at 15 September 2021

Number of Issued Shares (including Treasury Shares)	:	565,506,000
Number of Issued Shares (excluding Treasury Shares)	:	559,406,000
Number/*Percentage of Treasury Shares	:	6,100,000 / 1.08%
Class of Shares	:	Ordinary
Voting Rights (excluding Treasury Shares)	:	One vote per share

There are no subsidiary holdings.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	%	Number of shares	%
1 - 99	0	0.00	0	0.00
100 - 1,000	11	5.88	6,700	0.00
1,001 - 10,000	39	20.86	263,200	0.05
10,001 - 1,000,000	115	61.50	18,648,500	3.33
1,000,001 AND ABOVE	22	11.76	540,487,600	96.62
TOTAL	**187**	**100.00**	**559,406,000**	**100.00**

SUBSTANTIAL SHAREHOLDERS
(As recorded in the Register of Substantial Shareholders)

Name of shareholders	Direct Interest Number of shares	%	Deemed Interest Number of shares	%
TEO BOON LENG	171,359,753	30.63	0	0.00
ANG KAH LEONG	157,884,355	28.22	0	0.00
LEE SUI HEE	55,733,478	9.96	0	0.00
SIM CHOON LAM	32,075,784	5.73	0	0.00

STATISTICS OF SHAREHOLDINGS

As at 15 September 2021

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	TEO BOON LENG	171,359,753	30.63
2	ANG KAH LEONG	157,884,355	28.22
3	LEE SUI HEE	55,733,478	9.96
4	SIM CHOON LAM	32,075,784	5.73
5	SIM CHOON BENG	23,731,715	4.24
6	CHEW TIAM POH	18,459,565	3.30
7	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	10,315,000	1.84
8	LEE KWANG HWEE OR YI DAXIANG	10,182,000	1.82
9	CHUA KWEE SIN	8,543,000	1.53
10	RAFFLES NOMINEES (PTE.) LIMITED	8,017,400	1.43
11	LIU JI	7,000,000	1.25
12	ABN AMRO CLEARING BANK N.V.	6,756,200	1.21
13	MAYBANK KIM ENG SECURITIES PTE. LTD.	5,596,500	1.00
14	NG PUAY HOON	4,957,774	0.89
15	YC GLOBAL CAPITAL PTE LTD	4,174,400	0.75
16	UOB KAY HIAN PRIVATE LIMITED	3,933,600	0.70
17	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	2,546,000	0.46
18	KOH PENG HENG	2,287,273	0.41
19	ONG KAH LAM	2,083,400	0.37
20	TAN SIM HUI JULIA (CHEN XINHUI)	1,948,803	0.35
	TOTAL	**537,586,000**	**96.09**

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC'S HANDS

Based on information available to the Company as at 15 September 2021, approximately 25.46% of the Company's issued ordinary shares excluding treasury shares were held by the Public. Accordingly, the Company has complied with Rule 723 of the SGX-ST Listing Manual Section B : Rules of Catalist.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **TLV HOLDINGS LIMITED** ("the **Company**") will be held by electronic means on Friday, 29 October 2021 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 30 June 2021 together with the Independent Auditor's Report thereon. **(Resolution 1)**

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

   Mr Ang Kah Leong **(Resolution 2)**

   Mr Chua Kern **(Resolution 3)**

   Mr Ang Kah Leong will, upon re-election as Director of the Company, remain as Executive Director of the Company.

   Mr Chua Kern will, upon re-election as Director of the Company, remain as Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee. The Board considers Mr Chua 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.

3. To approve the payment of Directors' Fees of S$153,750 for the financial year ending 30 June 2022 payable quarterly in arrears. (FY2021: S$153,750) **(Resolution 4)**

4. To re-appoint Messrs Ernst & Young LLP as Independent Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**

5. 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 resolution as Ordinary Resolution, with or without any modification:

6. **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 and subsidiary holdings) 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 and subsidiary holdings) 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 and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) 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 the exercising of share options or vesting of share awards, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

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

any adjustments made in accordance with sub-paragraphs (2)(a) or (2)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the Resolution approving the mandate.

(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 the Company 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) **(Resolution 6)**

By Order of the Board

Wong Yoen Har
Company Secretary

Singapore, 7 October 2021

Explanatory Note:

The Ordinary Resolution 6 in item 6 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 and subsidiary holdings) 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 and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) 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.

IMPORTANT

The printed copies of the following documents will not be despatched to shareholders, they can be accessed at URL http://www.tlvholdings.com.sg/agm.html or on SGX website at URL https://www.sgx.com/securities/company-announcements:

- Annual Report for the financial year ended 30 June 2021
- Notice of Annual General Meeting
- Proxy Form
- Pre-registration for AGM Live Audio-Visual Webcast/Audio Feed

Notes:

(1) The Annual General Meeting ("the Meeting") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

(2 Alternative arrangements relating to attendance at the Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the Meeting, addressing of substantial and relevant questions at the Meeting and voting by appointing the Chairman of the Meeting as proxy at the Meeting, are set out in "**Pre-registration for AGM Live Audio-Visual Webcast/Audio Feed**".

(3) **Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting.**

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

Supplementary Retirement Scheme ("SRS") investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective SRS Operators to submit their votes by **10.00 a.m. on 19 October 2021**.

(4) The Chairman of the Meeting, as proxy, need not be a member of the Company.

(5) The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

(a) if submitted by post, be lodged with the Company's registered office at 3, Kaki Bukit Place, Eunos Techpark, Singapore 416181; or

(b) if submitted electronically, be submitted as a clearly readable image via email to TLV_AGM21@tlvholdings.com.sg.

in either case, **at least 48 hours before the time for holding the Meeting, by 10.00 a.m. on 27 October 2021**.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

(6) The Company shall be entitled to, and will, treat any valid instrument appointing the Chairman of the Meeting as proxy(ies) which was delivered by a member to the Company before 10.00 a.m. on 27 October 2021 as a valid instrument appointing the Chairman of the Meeting as the member's proxy to attend, speak and vote at the Meeting if:

(a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and

(b) the member has not withdrawn the appointment.

(7) A member may withdraw an instrument appointing the Chairman of the Meeting by sending an email to TLV_AGM21@tlvholdings.com.sg to notify the Company of the withdrawal, at least 48 hours before the time for holding the Meeting.

(8) Submission by a member of a valid instrument appointing the Chairman of the Meeting as proxy at least 48 hours before the time for holding the Meeting will supersede any previous instrument submitted by that member.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

PRE-REGISTRATION FOR AGM LIVE AUDIO-VISUAL WEBCAST/AUDIO FEED

The Annual General Meeting (“AGM”) will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Shareholders will be able to watch the AGM proceedings through the Live AGM Webcast, the Company will not accept any physical attendance by shareholders. Any shareholder seeking to attend the AGM physically in person will be turned away.

Guidelines for Participation at the AGM

As indicated in the Notice of AGM dated 7 October 2021 which sets out inter alia, the details of the alternative arrangements for shareholders’ participation at the AGM, shareholders may participate in AGM to be held via “live” audio-visual webcast and audio-only stream on Friday, 29 October 2021 at 10.00 a.m. (Singapore Time).

In order to assist shareholders through this process, please refer to the guidelines below.

I. Pre-Registration for the AGM

Shareholders and CPF and SRS investors who wish to attend the AGM should pre-register for the “live” audio-visual webcast or audio-only stream by registering at https://globalmeeting.bigbangdesign.co/tlv/ no later than **26 October 2021 at 10.00 a.m.** (Singapore Time) (“**Pre-Registration Deadline**”).

Investors who hold their shares in the Company (“Shares”) through relevant intermediaries who wish to participate in the Meeting by: (a) observing and/or listening to the proceedings of the Meeting via the live webcast or live audio feed; or (b) submitting questions in advance of the Meeting, should contact the relevant intermediary through which they hold Shares as soon as possible in order to make the necessary arrangements for them to participate in the Meeting.

Shareholders and CPF and SRS investors who have pre-registered by the Pre-Registration Deadline should receive an email response by 27 October 2021 at 5.00 p.m. (Singapore Time). Only authenticated shareholders and CPF and SRS investors will receive an email containing the instructions to access the “live” audio-visual webcast, and the telephone number and participant PIN to access the audio-only stream of the AGM proceedings.

Shareholders and CPF and SRS investors who have pre-registered by the Pre-Registration Deadline but did not receive any email response by 27 October 2021 at 5.00 p.m. (Singapore Time) should contact TLV’s webcast vendor, Big Bang Design Pte. Ltd., for assistance via email webcast@bigbangdesign.co.

Shareholders and CPF and SRS investors must not share the login credentials and participant PIN provided with others, as multiple device logins are not allowed. It is the shareholder’s and CPF and SRS investor’s responsibility to keep the login credentials and participant PIN provided to himself/herself.

Shareholders and CPF and SRS investors are advised to also check the “junk” or “spam” folders of their email in case the emails are directed there.

II. Submission of Questions

Shareholders will not be able to ask questions at the AGM “live” during the webcast or via the audio feed. It is therefore important for shareholders to pre-register their participation and submit their questions early.

Shareholders may submit their questions through TLV_AGM21@tlvholdings.com.sg.

All questions for the Meeting must be submitted **by 10.00 a.m. on 26 October 2021 (Singapore Time)**.

The Company will release an announcement to address substantial questions relevant to the resolutions to be tabled for approval at the AGM submitted by shareholders, if any, via SGXNet by 8.00 a.m. on 29 October 2021. The Company will, within one month after the date of the AGM, publish the minutes of the AGM, together with responses to subsequent clarifications sought or follow-up questions raised by Shareholders in respect of substantial and relevant matters on SGXNET and the Company’s website at http://www.tlvholdings.com.sg

III. To vote at the AGM

Shareholders who wish to exercise their voting rights at the AGM must appoint the Chairman of the Meeting as their proxy(ies) by completing the Proxy Form and giving specific instructions as to voting, or abstention from voting accordingly. Please note that in the absence of specific instructions in respect of a resolution, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

Shareholders who wish to exercise their voting rights at the AGM are advised to complete and sign the Proxy Form downloaded from the following link: http://www.tlvholdings.com.sg/agm.html and submit it to TLV's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

a) if by email, the Proxy Form must be submitted as a clearly readable image and received by the Company at TLV_AGM21@tlvholdings.com.sg or

b) if the Proxy Form is in hard copy and sent personally or by post, to the Company's registered office address at 3, Kaki Bukit Place, Eunos Techpark, Singapore 416181,

in either case, by **27 October 2021 at 10.00 a.m. (Singapore Time)**, being 48 hours before the time fixed for the AGM.

Please note that shareholders will not be able to vote through the live webcast and can only vote with their proxy forms which are required to be submitted in accordance with the foregoing paragraphs.

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. The Annual General Meeting ("the Meeting") will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. The Annual Report and Notice of AGM dated 7 October 2021 may be accessed at URL http://www.tlvholdings.com.sg/agm.html and on the SGX website at URL https://www.sgx.com/securities/company-announcements.
3. Alternative arrangements relating to attendance at the Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), registration for live webcast, submission of questions in advance of the Meeting and voting by appointing the Chairman of the Meeting as proxy at the Meeting, are set out in the Pre-registration for AGM Live Audio-Visual Webcast/Audio Feed.
4. **Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting**.
5. Supplementary Retirement Scheme ("SRS") investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective SRS Operators to submit their votes **by 10.00 a.m. on 19 October 2021**. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 7 October 2021.

Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the Meeting.

I/We, ____ (Name)

____ (NRIC/Passport No./Registration No.)

of ____ (Address)

being a member/members of **TLV HOLDINGS LIMITED** (the "Company"), hereby appoint the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company **to be held by electronic means on Friday, 29 October 2021 at 10.00 a.m.** and at any adjournment thereof. I/We direct my/our proxy to vote for or against or abstain from voting the resolutions to be proposed at the Meeting in the spaces provided hereunder.

No.	Resolutions relating to:	For	Against	Abstain
ORDINARY BUSINESS				
1	Adoption of the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2021 together with the Independent Auditor's Report			
2	Re-election of Mr Ang Kah Leong as Director of the Company			
3	Re-election of Mr Chua Kern as Director of the Company			
4	Approval of Directors' Fees amounting to S$153,750 for the financial year ending 30 June 2022 payable quarterly in arrears			
5	To re-appoint Messrs Ernst & Young LLP as Independent Auditor of the Company and to authorise the Directors to fix their remuneration			
SPECIAL BUSINESS				
6	Authority to allot and issue shares			

If you wish the Chairman of the Meeting as your proxy to cast all your votes **For** or **Against** a resolution, please tick (✓) within the box in respect of that resolution. Alternatively, please indicate the number of votes **For** or **Against** in the **For** or **Against** box in respect of that resolution.

If you wish the Chairman of the Meeting as your proxy to Abstain from voting on a resolution, please tick in the Abstain box in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to abstain from voting in the Abstain box in respect of that resolution.

In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.

Dated this ________ day of ________________ 2021

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

Notes:

1. **Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting.**

2. In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. The Chairman of the Meeting, as proxy, need not be a member of the Company.

3. 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 Chairman of the Meeting as proxy shall be deemed to relate to all the shares held by you.

4. SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective SRS Operators to submit their votes **by 10.00 a.m. on 19 October 2021**.

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the Meeting as proxy 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.

6. The duly completed and signed instrument appointing the Chairman of the Meeting as proxy must either be submitted by:

   (a) mail to the Company's registered office at 3, Kaki Bukit Place, Eunos Techpark, Singapore 416181; or

   (b) email to TLV_AGM21@tlvholdings.com.sg.

   as soon as possible, in either case, not less than forty-eight (48) hours before the time appointed for holding the Meeting.

   A member who wishes to submit a Proxy Form must download, complete and sign the Proxy Form, before submitting it by post to the address provided above or by scanning and sending it by email to the email address provided above.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms personally or by post, members are strongly encouraged to submit completed proxy forms electronically via email.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 7 October 2021.

GENERAL:

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy 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 the Chairman of the Meeting as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his/her 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.

This page has been intentionally left blank.

This page has been intentionally left blank.

This page has been intentionally left blank.

TLV

(Company Registration No.: 201526542C)
3 Kaki Bukit Place
Eunos Techpark
Singapore 416181
Tel : (65) 6746 8777
Fax : (65) 6746 8323
www.tlvholdings.com.sg

cre8
Tel: (65) 63278398