Incredible

ANNUAL REPORT 2022

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This annual report has been prepared by the Company and been reviewed by the Company's Sponsor Hong Leong Finance Limited (the "**Sponsor**"). This annual report has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone: +65 6415-9881.

CORPORATE PROFILE

INCREDIBLE HOLDINGS LTD.
(SGX CODE: RDR)

https://incredible.sg

Incredible Holdings Ltd. and its subsidiaries focus its core business on the distribution of equipment and consumable materials for the electronics industry in Singapore, the trading of luxury goods in Europe and Asia, and the loan financing business in Hong Kong.

OUR BUSINESS

Incredible

ORGANIZATION CHART
As at 24 July 2023

- 100% Hi-Tech Distribution Pte. Ltd.
  - 100% Chemitec Industrial Pte. Ltd.
- 100% Incredible Watch & Jewellery Pte. Ltd.
- 100% Incredible Finance Limited
- 100% Incredible Trading Limited
- 100% Central Capital ApS
  - 100% HB 2021 ApS
- 100% Korea Watch Co. Limited
- 100% Billion Credit Financial Company Limited
- 49% (Associate) Strong System Limited
  - 100% Empire Top Limited
- 42% (Associate) Golden Ultra Limited
  - 100% CKLY Trading Limited

LETTER TO SHAREHOLDERS

Dear Shareholders,

On behalf of the board of directors for Incredible Holdings Ltd (the "**Company**") and its subsidiaries collectively, (the "**Group**"), it is my pleasure to present to you the Annual Report for financial year ended 31 December 2022 ("**FY2022**").

Amidst the current state of weakened global economies, the Group's primary emphasis will be on enhancing productivity and managing costs to maintain its current businesses in the upcoming year. Additionally, the Group will seek out investment prospects to attain its long-term objective of improving shareholders' value.

FINANCIAL REVIEW – FY2022 VS FY2021

The Group's revenue suffered a significant decline, plummeting by 57.9% from S$23.3 million in FY2021 to S$9.8 million in FY2022. Despite this, the trading of watches business segment remained the top revenue source, contributing to 95.7% of the Group's total revenue in FY2022. While gross profit increased by 24.3% from S$0.8 million in FY2021 to S$1.0 million in FY2022, the gross profit margin improved, rising from 3.3% in FY2021 to 9.7% in FY2022. Despite the revenue decline, the Group's loss after tax improved, decreasing from S$6.3 million in FY2021 to S$4.1 million in FY2022.

KEY CHALLENGES IN FY2022

Due to the COVID-19 pandemic, one of our major customers reduced its operations in Singapore, resulting in a decline in revenue from our distribution of consumables to the electronics manufacturer's business segment. In addition, our trading of watches business segment has been affected by intense competition in the industry, leading to margin compression.

The Company's shares were suspended on the 8 September 2022 pending the outcome of (1) the Notice of Compliance ("**NOC**") issued by Singapore Exchange Regulation ("**SGX RegCo**") on 27 June 2022 and (2) the investigations conducted by the Hong Kong Customs and Excise Department ("**C&E**") on CKLY in relation to the Trade Description Ordinance on 31 August 2022 (the "**Investigation**").

In relation to the NOC, the Company appointed Provenance Capital Pte. Ltd. as the Joint Independent Reviewer to review all corporate actions and fund raising exercises conducted by Company and Ntegrator Holdings Limited (formerly known as Watches.com Limited) in the last twelve months from 27 June 2022, based on the approved scope of work by SGX RegCo (the "**Independent Review**"). The Company will make further announcements to update shareholders as and when there are material developments on this matter, including key findings of the Independent Review where appropriate.

In relation to the Investigation, the Group proactively conducts rigorous internal due diligence to review the procurement sources of its watches and maintained that the watches were authentic and genuine at the time of purchase. As a result, the Group had through its legal advisors written in to C&E to clarify and clear the allegations against CKLY on 3 October 2022. On 11 May 2023, the C&E concluded its investigations and cleared all allegations against CKLY, its management and sales staff.

We seek the patience and kind understanding of our valued shareholders as we work towards resuming the trading of our shares as soon as possible subject to approval from the relevant authorities.

LETTER TO SHAREHOLDERS

OUR BUSINESS STRATEGY

In early 2022, our Group successfully concluded the acquisitions of Billion Credit Financial Limited (BCF), New Genesis Development Limited (Gadmobe Group), and Golden Ultra Limited (GUL).

These acquisitions align with the Group's core strategy of establishing a luxury watch omnichannel platform that merges e-commerce platforms with retail locations in different countries, with the aim of increasing revenue and enhancing long-term shareholder returns.

The acquisitions of GUL and Gadmobe Group are complementary and synergistic, as the Company's website, Bestwatch.com.hk focuses on luxury watch trading and retail of brand new watches for an online platform, while Gadmobe Group provides digitalization services, payment gateway solutions, algorithms, and big data analytics to boost sales and attract more luxury watch buyers from around the world to our platforms.

The acquisition of BCF is part of the Group's broader strategy to diversify into the loan financing business, offering personal and business loans secured by privately owned commercial, industrial, or residential properties in Hong Kong. This acquisition allows our Group to expedite its entry into this market, thanks to an existing team of experienced professionals, a ready clientele base, an existing loan portfolio generating recurring interest income, and a money lending license in Hong Kong.

KEY PRIORITIES FOR FY2023

We will continue to face the same challenges in FY2023. Our operating environment may be impacted by ongoing geopolitical risks in Hong Kong and a prolonged Ukraine-Russia conflict which may lead to economic difficulties in Europe, causing ripple effects over to Asia.

We will strive forward into FY2023 to (1) drive improvements in our luxury watch trading business (2) streamline our cost drivers, (3) optimise our corporate overheads to turnaround our financial performance, (4) tap into the capital markets to raise funds for our working capital and business expansions needs, (5) strengthen our balance sheet and (6) continue to hunt for more earnings accretive acquisitions.

Internally, we will continue to (1) drive efforts in optimisation and digitalisation throughout the Group, (2) sharpen our risk management and compliance, and (3) upgrade our Environment, Social and Governance ("**ESG**") policies and practices to meet global standards.

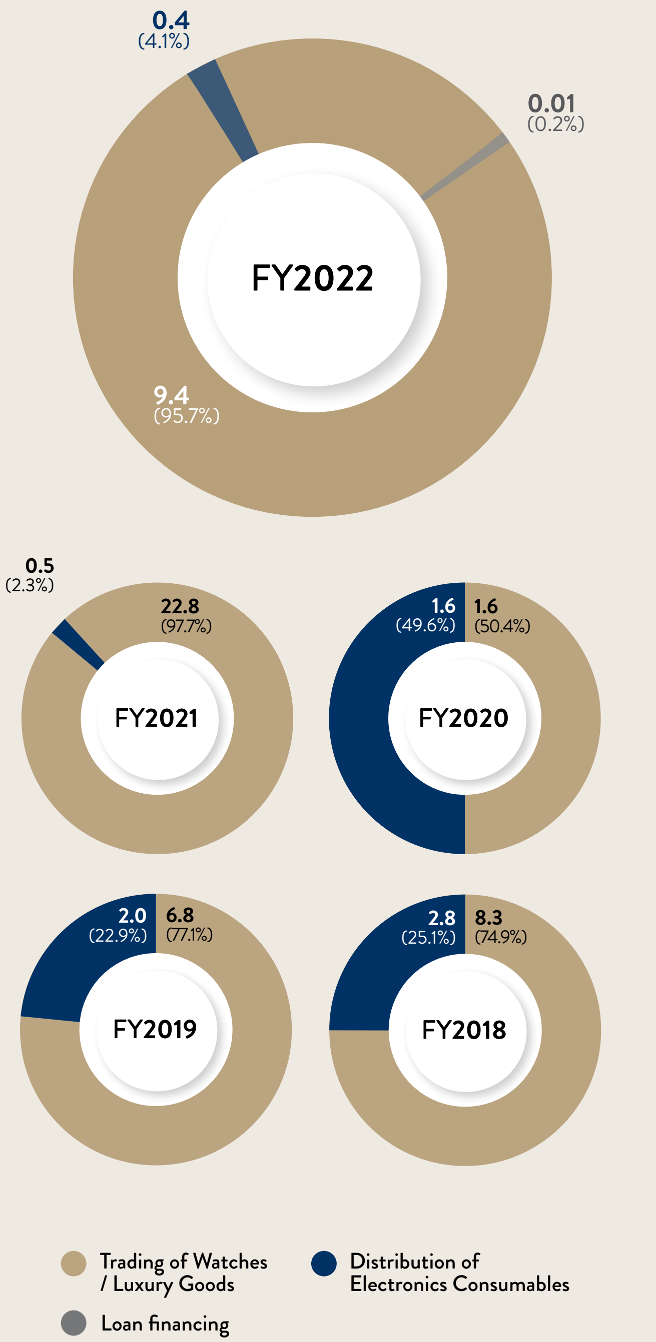
We would like to thank all our shareholders for their continual support and unwavering faith in the strategic direction that we are undertaking to grow our revenue streams, to build a more sustainable business for the long-term and to enhance our shareholder returns going forward.

Leung Kwok Kuen, Jacob
Independent Non-Executive Chairman,
Independent Director

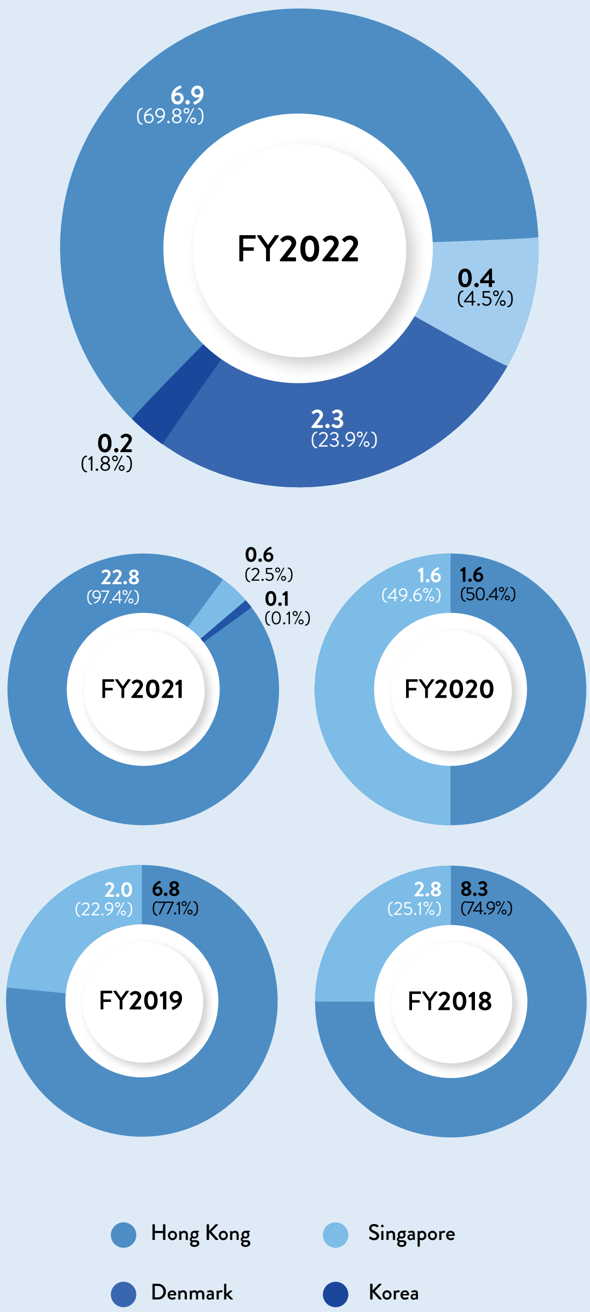
Christian Kwok-Leun Yau Heilesen
Executive Director

FIVE YEARS' FINANCIAL HIGHLIGHTS

REVENUE BY SEGMENTS
(in S$'million)

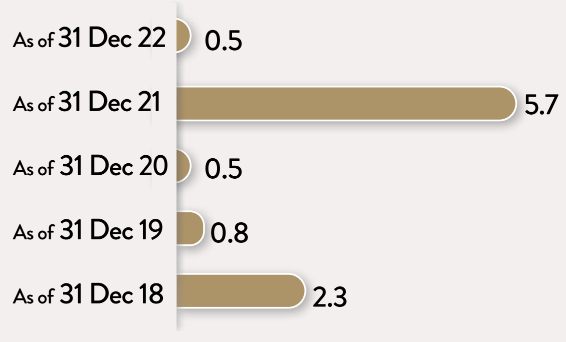


REVENUE BY GEOGRAPHY
(in S$'million)

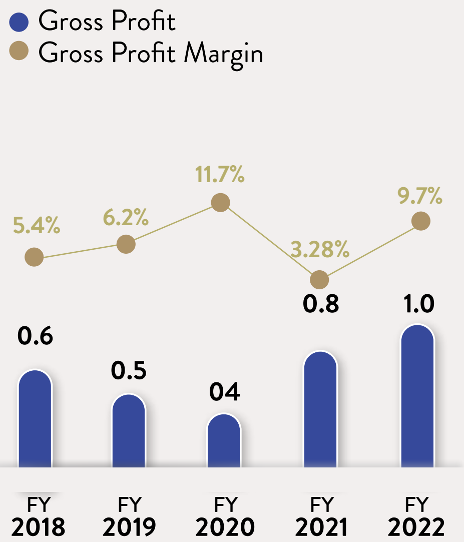


FIVE YEARS' FINANCIAL HIGHLIGHTS

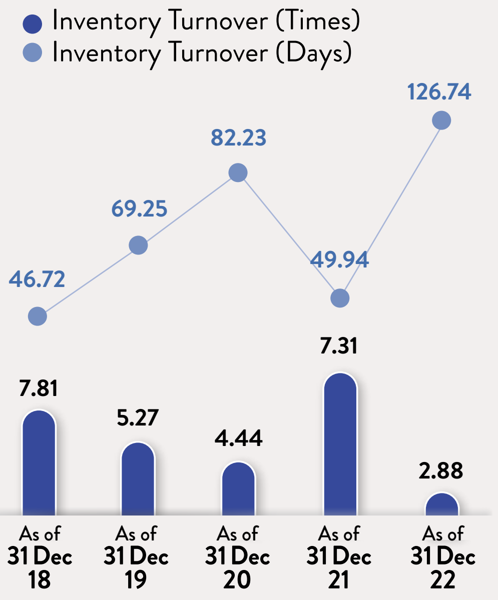
INVENTORIES (in S$' million)



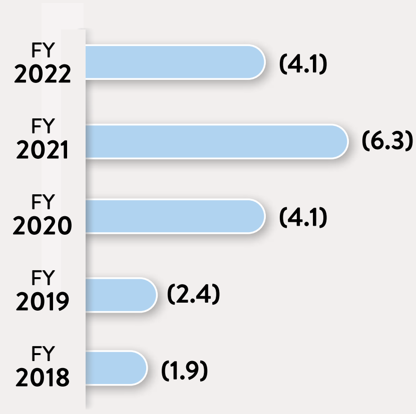
GROSS PROFIT (in S$' million)



INVENTORY TURNOVER



NET LOSS AFTER TAX (in S$' million)



NET ASSET VALUE PER SHARE (Singapore cents)

As of 31 Dec 18	As of 31 Dec 19	As of 31 Dec 20	As of 31 Dec21	As of 31 Dec 22
0.31	1.31	0.28	0.3	0.18
Total number of issued shares (excluding treasury shares)				
991,035,662	299,843,943	299,843,943	2,993,532,545	2,993,532,545

DIRECTORS' PROFILE

MR. CHRISTIAN KWOK-LEUN YAU HEILESEN
Executive Director

Christian Kwok-Leun Yau Heilesen was appointed as an executive director of Incredible Holdings Ltd. on 23 November 2015. Mr. Heilesen is an Internet entrepreneur and founded an internet and mobile value-added services company in August 2003. He discovered the potential of online business when he was working part-time after school in his hometown, Copenhagen, Denmark. In 1999, Mr. Heilesen started using his own network of high traffic websites to bring traffic to Fortune 500 advertisers through affiliate programs such as Commission Junction and Websponsors. After graduating from college in 2002, Mr. Heilesen decided to leave Copenhagen and to further develop online business opportunities in Hong Kong. Mr. Heilesen has more than 10 years of experience dealing with corporate finance and investment activities.

MS. ZHOU JIA LIN
Non-Executive and Non-Independent Director

Ms. Zhou Jia Lin was appointed Non Executive and Non-Independent Director of Incredible Holdings Ltd. on 26 October 2010. Having worked as a director of Pinnacle Investment Hong Kong from 1998 to 2002 where she first started, she later undertook corporate finance projects and assisted in looking for viable businesses to invest in. Her many years of involvement in investment businesses brought her to expand and diversify her existing investment portfolio into Incredible Group. In her investment portfolio, she has a wide network of corporate finance professionals, capital advisors and bankers exploring other potential tie-ups, acquisitions, investments and alternative investment opportunities both in China and overseas.

DIRECTORS' PROFILE

MR. LEUNG KWOK KUEN JACOB
Independent Director

Mr. Leung Kwok Kuen Jacob was appointed Non-Executive and Non Independent Director of Incredible Holdings Ltd. on 23 November 2015. Mr. Leung was redesignated as Independent Non-Executive Chairman of the Board on 15 March 2018. He is the Chairman of Remuneration and Nominating Committees of the Group. Mr. Leung has extensive experience in administrative management. From 2003 to April 2016, he assisted the incorporation of Eternal Peal Securities Limited ("Eternal Pearl") in Hong Kong, a licensed corporation to conduct type 1 (dealing in securities) and type 2 (dealing in futures contracts) regulated activities under the Securities and Futures Ordinance, Cap. 571f the Laws of Hong Kong (the "SFO"). Since the incorporation of Eternal Pearl, Mr. Leung has been the Administrative Manager and responsible for overseeing its support operations, planning, organizing and implementing its administrative systems.

MS. EUNICE VEON AKOH PEI LEE
Independent Director

Ms. Eunice Veon Koh Pei Lee graduated from Royal Melbourne Institute of Technology with Bachelor of Economics & Finance in 2007, was appointed Independent Director on 7 September 2017. Ms. Eunice has experience of working in Global Payment Asia Pacific (S) Pte Ltd as business development executive and as equity dealer in various securities firms.

MR. LEUNG YU TUNG STANLEY
Independent Director

Mr. Leung Yu Tung Stanley, a Chartered Accountant of Hong Kong Institute Certified Public Accountants and Association of Chartered Certified Accountants (ACCA), and graduated from the Hong Kong Polytechnic University with Bachelor of Arts (Hons) Accountancy in 2003 and Master of Professional Accounting in 2010, was appointed as Independent Director of Incredible Holdings Ltd. on 6 October 2017. He is the Chairman of Audit Committee of the Group. Mr. Leung has extensive audit and accounting experience.

MANAGEMENT'S PROFILE

MR. CHAN KA KI
Chief Financial Officer,
Incredible Holdings Ltd., Singapore

Mr. Chan Ka Ki was appointed as the Chief Financial Officer of Incredible Holdings Ltd. on 7 April 2014. He is responsible for the full spectrum of the financial and accounting functions of the Group. Mr. Chan has 18 years of financial management and reporting experience in Hong Kong and Malaysia. He was an Independent Director of a company listed in Malaysia. He graduated from Monash University, Australia with a Bachelor in Accounting and is a member of both Certified Practicing Accountants (Australia) and Hong Kong Institute of Certified Public Accountants.

MR. CHOO TIAN WANG
Sales and Operations Manager,
Hi-Tech Distribution Pte Ltd.

Mr. Choo Tian Wang was appointed General Manager of Hi-Tech Distribution Pte Ltd and Chemitec Industrial Pte Ltd in 2014. He has more than 20 years' experience holding positions in sales and management in the electronic material business. Mr Choo graduated from the Singapore Polytechnic with a Diploma in Chemical Process Technology (Polymer) and he also holds a Diploma in Sales & Marketing from the Marketing Institute of Singapore.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Independent Non-Executive Chairman and Independent Director
Mr. Leung Kwok Kuen Jacob

Executive Director
Mr. Christian Kwok-Leun Yau Heilesen

Non-Executive Non-Independent Director
Ms. Zhou Jia Lin

Independent Director
Ms. Eunice Veon Koh Pei Lee

Independent Director
Mr. Leung Yu Tung Stanley

COMPANY SECRETARY

Foo Soon Soo

REGISTERED OFFICE

Harvest @ Woodlands
280 Woodlands Industrial Park E5
#10-50, Singapore 757322
Tel: (65) 6268 9565
Fax: (65) 6268 9735
Email: investors@incredible.sg

SHARE REGISTRAR

KCK Corpserve Pte Ltd
1 Raffles Place #04-61
One Raffles Place
Singapore 048616

AUDITORS

RT LLP
70 Shenton Way,
#07-15 Eon Shenton,
Singapore 079118
Partner-in-charge:
Mr. Kenneth Ng Boon Chong
(A member of the Institute of Singapore Chartered Accountants)
(Appointed on 29 September 2022)

SPONSOR

Hong Leong Finance Limited
16 Raffles Quay
#01-05 Hong Leong Building
Singapore 048581

BANKERS

United Overseas Bank Ltd
Overseas Chinese Banking Corporation
DBS Bank Ltd
Malayan Banking Berhad

CORPORATE GOVERNANCE STATEMENT

The Board of Directors (the "**Board**") of Incredible Holdings Ltd. (the "**Company**") is committed to ensure and maintain a high standard of corporate governance within the Group. This report describes the corporate governance framework and practices of the Company with specific reference to the principles and guidelines set out in the 2018 Code of Corporate Governance (the "**Code**") issued on 6 August 2018 and accompanying Practice Guidance (updated on 11 January 2023.) Where there are deviations from the Code, explanations have been provided.

BOARD CONDUCT OF ITS AFFAIRS

PRINCIPLE 1:
The company is headed by an effective Board which is collectively responsible and works with Management for the long term success of the company.

Role of Board of Directors

The Board's primary role is to protect and enhance long-term shareholders' value. It provides entrepreneurial leadership, sets the overall strategy for the Group and ensures that the necessary financial and human resources are in place for the Company to meet its objectives. The Board establishes a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets, supervises the Management and review management performance and monitors performance of these goals to enhance shareholders' value. The Board is responsible for the overall corporate governance of the Group at all times as fiduciaries in the interests of the Company.

The Board's role includes identifying the key stakeholder groups, ensuring transparency and accountability to the key stakeholder groups, instilling an ethical corporate culture and ensuring that the company's values, standards, policies and practices are consistent with the culture. The Board oversees the overall strategic plans including sustainability, environmental and social factors as part of its strategic formulation and financial objectives of the Group.

Directors' Duties and Responsibilities

All Directors discharge their duties and responsibilities as fiduciaries objectively at all times in the best interest of the Group and exercise due diligence in dealing with the business affairs of the Group. All Directors are obliged to act in good faith in the best interest of the Group. Directors also hold management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Group. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

Directors must understand the Group's businesses as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The Company has in place a process of induction, training and development for new and existing directors.

Orientation, briefings, updates and trainings for Directors in FY2022

The Company has in place an orientation process. A new incoming director is issued a formal letter of appointment setting out their duties and obligations. Incoming directors joining the Board will be briefed by the Nominating Committee on their directors' duties and obligations and be introduced to the Group's business and governance practices and arrangements, in particular the Company's policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive and trade-sensitive information.

The Company provides training and/or briefings for first-time directors in areas such as accounting, legal and industry-specific knowledge as appropriate. The training of directors is arranged and funded by the Company. All directors of the Company have attended training conducted by Singapore Institute of Directors.

The incoming directors will meet up with the senior management and the Company Secretary to familiarize himself with their roles, organization structure and business practices. This will enable them to get acquainted with senior management and the Company Secretary thereby facilitating board interaction and independent access to senior management and the Company Secretary.

The Directors are required and have each signed the respective undertaking in the form set out in Appendix 7H of the Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") ("Catalist Rules") to undertake to use their best endeavours to comply with the Catalist Rules.

The Directors have attended the sustainability training conducted by Singapore Institute of Directors as prescribed by the SGX-ST.

During the financial year reported on, the Directors received updates on regulatory changes to the Catalist Rules, amendments to the Companies Act and the accounting standards. The Executive Director updates the Board at each Board meeting on business and strategic developments. The management highlights the salient issues as well as the risk management considerations for the entire business of the Group.

Reserved matters for Board's approval

Matters specifically reserved to the Board for its approval and is clearly communicated to Management in writing are:

- Issuing of shares
- Bank borrowing
- Material acquisitions or disposal of assets
- Approval of half-yearly and year-end results announcement and other public announcements
- Appointments of officers and persons related to CEO and executive director
- Establishment of Board Committees

Delegation by the Board

Board Committees, namely the Audit Committee ("**AC**"), Nominating Committee ("**NC**"), Remuneration Committee ("**RC**") and Investment Committee ("**IC**") (hereinafter referred as "**Board Committees**") have been constituted to assist the Board in carrying out and discharging its duties and responsibilities efficiently and effectively. The Board Committees function within clearly defined terms of references and operating procedures which are reviewed on a regular basis. The effectiveness of each Board Committee is also constantly reviewed by the Board. Please refer to Principles 4 to 10 on the terms and reference and activities of the NC, RC and AC respectively.

There was no Investment Committee meeting held since FY2015 as all investment related matters were discussed at the Board meetings. The following table discloses the number of Board and other Board Committee meetings and the attendance of Directors and Board Committee members for FY2022:

	Board	Audit Committee	Remuneration Committee	Nominating Committee
No. of Meetings held during financial year ended 31 December 2022	2	2	1	1

Name of Directors	Number of Meetings Attended			
	Board	Audit Committee	Remuneration Committee	Nominating Committee
Mr Christian Kwok-Leun Yau Heilesen	2	–	–	–
Mr Leung Kwok Kuen Jacob	2	2	1	1
Ms Zhou Jia Lin	2	2	1	1
Ms Eunice Veon Koh Pei Lee	2	2*	1	1
Mr Stanley Leung Yu Tung	2	2	–	–

*** denotes attendance by Invitation**

While the Board considers Directors' attendance at Board meetings to be important, it should not be the only criterion to measure their contributions. It also takes into account the contributions by Board members in other forms including periodic reviews and provision of guidance and advice on various matters relating to the Group. The minutes of the Board and Committee meetings will be circulated to all directors including those absent from the meeting and the absent director will be given opportunity to contribute their valuable feedback through email or conference call if required. The Board has noted that this arrangement is effective to assist the Board in making decisions, and sufficient time and attention have been given by the Directors to the affairs of the Group. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

Board's Access to Management, Company Secretary and external advisers

The Board has separate and independent access to senior management, the Company Secretary and external advisers (where necessary) at all times at the company's expense. Management deals with requests for information from the Board promptly as needed to make informed decisions. The Board is informed of all material events and transactions as and when they occur.

Information provided included board papers and related materials, background or explanatory information relating to matters to be brought before the Board, and copies of disclosure documents, budgets, forecasts and quarterly internal financial statements and as and when requested by directors. In respect of budgets, any material variance between the projections and actual results are disclosed and explained by the CFO where appropriate.

Each Director has the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfill their duties and responsibilities as directors.

The role of the company secretary is to ensure that board procedures are followed and that applicable rules and regulations are complied with. Under the direction of the Chairman, the company secretary's responsibilities include ensuring good information flows within the Board and its board committees and, advising the Board on all corporate governance matters as well as facilitating orientation and assisting with professional development as required. The company secretary or her representative attends all board meetings.

The appointment and removal of the company secretary is decided by the Board as a whole.

BOARD COMPOSITION AND GUIDANCE

PRINCIPLE 2:
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

Board Composition

The Board of Directors currently comprises five directors, three of whom are Independent Directors. The Board members are:

Mr Leung Kwok Kuen Jacob	(Independent Non-Executive Chairman and Independent Director)
Mr Stanley Leung Yu Tung	(Independent Director)
Ms Zhou Jia Lin	(Non-Executive and Non-Independent Director)
Mr Christian Kwok-Leun Yau Heilesen	(Executive Director)
Ms Eunice Veon Koh Pei Lee	(Independent Director)

As there are three Independent Directors among five on the Board, the requirement of the Catalist Rule 406(3)(c) that at least one-third of the Board be comprised of independent directors is satisfied.

The Non-Executive Directors (including the Independent Directors) make up a majority of the Board in compliance with Provision 2.2 and 2.3 of the Code.

The Board examines its size to satisfy that it is an appropriate size for effective decision making, taking into account the nature and scope of the Company's operations. The Company recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of the Board's performance, and in supporting the Company's strategic objectives and sustainable development. The NC has adopted a board diversity policy which takes into account relevant measurable objectives such as skills, management experience, gender, age, ethnicity and other relevant factors. The Board has two female members adding gender to the Board's diversity of background, experience and expertise. The current composition of the Board provides an appropriate balance and diversity of skills, experience and knowledge of the Company, and other aspects of diversity such as age (43 to 57 years) and length of tenure (6 years to approximately 12 years), so as to avoid groupthink and foster constructive debate, contributing to improved risk management and more robust decision-making for the strategic future of the Company. The Board comprises Directors with diverse backgrounds who as a group, possess the core competencies, such as accounting or finance, business or management experience, strategic planning experience and information technology, required for the Board to be effective in all aspects of its roles to facilitate decision-making that is in the best interest of the Company. In identifying candidates for appointment to the Board, the range of diversity perspectives mentioned above will be taken into account. The Directors bring to the Board their related experience, knowledge and also provide guidance in the various Board Committees, that is, the AC, RC, NC and IC.

The NC has implemented a board diversity policy and progress made towards achieving the board diversity policy will be reported to the Board on an annual basis and disclosed in annual reports, as appropriate.

Independent Directors

The criterion for independence is based on the definition given in the Code and the Catalist Rules. The Code has defined an "independent director" as one as one who is independent in conduct, character and judgement and who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment in the best interests of the Company. Under the Catalist Rules, an independent director is not one who is or has been employed by the Company or any of its related corporations for the current or any of the past three financial years; or not one who has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC.

The Independent Directors, Mr Leung Kwok Kuen Jacob, Ms Eunice Veon Koh Pei Lee and Mr Stanley Leung Yu Tung have confirmed their independence and they do not have any relationship (whether familial, business, financial, employment, or otherwise) with the Company, its related corporations, substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent judgment. They have also confirmed their independence in accordance with the Catalist Rules 406(3)(d)(i), (ii) & (iv). None of the independent Directors have served on the Board for more than nine years from the date of their respective appointments. The NC is of the view that Mr Leung Kwok Kuen Jacob, Ms Eunice Veon Koh Pei Lee and Mr Stanley Leung Yu Tung have engaged the Board in constructive discussion, their contributions are relevant and reasonable, and they have exercised independent judgment without dominating the Board discussions. The NC and the Board have reviewed and considered them to be independent. While none of the Independent Directors have served on the Board for a period exceeding nine years from the date of their first appointments, the NC will review succession plans for directors and will seek to refresh the Board in an orderly manner as and when it deems appropriate. Mr Leung Kwok Kuen Jacob, Ms Eunice Veon Koh Pei Lee and Mr Stanley Leung Yu Tung have each abstained from the NC's deliberation and decision on their independence.

Role of Non-Executive Directors

The Non-Executive Directors and Independent Directors, led by Independent Director, Mr Leung Kwok Kuen Jacob, communicate among themselves regularly without the presence of Management as and when the need arises, and thereafter where appropriate, they provide inputs to the Board. The Company also benefits from Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board committee meetings. It is the practice that the chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

PRINCIPLE 3:
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.

Separate Role of Chairman and Chief Executive Officer

The Company does not have a Chief Executive Officer. The Company tasked its sole Executive Director, Mr Christian Kwok-Leun Yau Heilesen to oversee the day-to–day management of the Company and the Group's affairs. The functions of Independent Non-Executive Chairman and the Executive Director are assumed by two (2) individuals. As the Company has a separate Independent Non-Executive Chairman and an Executive Director, there is a balance of power and authority, increased accountability and greater capacity of the Board. The roles of Independent Non-Executive Chairman and Executive Director are separate and they are not related.

Mr Leung Kwok Kuen Jacob as Independent Non-Executive Chairman, is responsible for:

- leading the Board to ensure its effectiveness on all aspects of its role;
- Chairing meetings on key strategic development and investment plans;
- Ensuring regular meetings (with the assistance of the Company Secretary) to enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;
- Preparing meeting agenda (in consultation with the Executive Director and CFO) and set the agenda to ensure that adequate time is available for discussion of all agenda items, particularly strategic issues;
- Promoting a culture of openness and debate at the Board's level;
- Ensuring that the directors receive complete, adequate and timely information;
- Reviewing board papers that are presented to the Board;
- Ensuring effective communication with shareholders;
- Encouraging constructive relations within the Board and between the Board and Management;
- Facilitating the effective contribution of non-executive directors in particular; and
- Promoting high standards of corporate governance.

In assuming his roles and responsibilities, as Mr Leung Kwok Kuen Jacob consults with the Board, AC, NC, RC and IC on major issues and as such, the Board believes that there are adequate safeguards in place against having a concentration of power and authority in a single individual.

The Executive Director, Mr Christian Kwok-Leun Yau is responsible for the day-to-day management of business, developing and managing the business development strategies and establishing new business opportunities for growth and expansion. He reports to the Board and ensures that policies and strategies adopted by the Board are implemented.

The Code requires the appointment of a Lead Independent Director if the Chairman is conflicted. The Company does not have a Lead Independent Director as the Chairman is an Independent Director, and together with the other Independent Directors individually and collectively are available to shareholders via email (investors@incredible.sg) should they have concerns in which contact through the normal channels of the Management and Executive Director has failed to resolve or is inappropriate.

BOARD MEMBERSHIP

PRINCIPLE 4:
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

Nominating Committee

The NC comprises the following members, the majority of whom including the Chairman are independent: -

Mr Leung Kwok Kuen Jacob	(Chairman and Independent Director)
Ms Eunice Veon Koh Pei Lee	(Member and Independent Director)
Ms Zhou Jia Lin	(Member and Non-Executive Non-Independent Director)

The functions of the NC are as follows: -

a. to make recommendations to the Board on all board appointments and re-nominations having regard to the director's contribution and performance (eg. attendance, preparedness, participation, candour and any other salient factors);

b. to ensure that all Directors submit themselves for re-nomination and re-election at regular intervals and at least once in every three years;

c. to determine annually whether a Director is independent, in accordance with the independence guidelines contained in the Code;

d. to decide whether a Director is able to carry and has adequately carried out his duties as a Director of the Company, in particular, where the Director concerned has multiple board representations;

e. to review the succession plans for directors, particularly, the Independent Non-Executive Chairman of the Board, the CEO/ Executive Director and key management personnel;

f. to review training and professional development programs for the Board and its directors; and

g. to decide and recommend for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual Director to the Board, in order for the Board to undertake a formal annual assessment of the performance of the Board as a whole, each board committee and each individual Director.

Selection, Appointment and Re-appointment of directors

The Company has in place the policy and procedures for the appointment of new directors, including the search and nomination process. The search for a suitable candidate could be drawn from contacts and the network of existing Directors. The NC can approach relevant institutions such as the Singapore Institute of Directors, professional organisations or business federations to source for a suitable candidate.

The NC will deliberate and propose factors of consideration including the background, skills, qualification and experience of the candidate it deems appropriate. The factors taken into consideration by the NC could include, among other things, whether the new director can add to or complement the mix of skills and qualifications in the existing Board, relevance of his experience and contributions to the business of the Company and the depth and breadth he could bring to Board discussions.

New directors will be appointed by way of a Board resolution, after the NC makes the necessary recommendation to the Board. New directors joining the Board would receive a formal appointment letter setting out their duties and obligations, be briefed by the NC on their directors' duties and obligations and introduced to the Group's business and governance practice and, particularly, the Company's policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Group, prohibitions on dealings in the Company's securities and restrictions on the disclosure of price-sensitive and trade sensitive information.

The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the Company.

The Constitution of the Company requires one-third of the Board to retire from office at each annual general meeting. Accordingly, the Directors will submit themselves for re-nomination and re-election at regular intervals of at least once every three years.

Pursuant to the Constitution of the Company, Ms Eunice Veon Koh Pei Lee and Ms Zhou Jia Lin will retire by rotation at the forthcoming annual general meeting and are eligible for re-election. The NC has recommended to the Board, the re-election of Ms Eunice Veon Koh Pei Lee and Ms Zhou Jia Lin at the forthcoming Annual General Meeting ("AGM").

In making recommendation for the purpose of re-nomination of these Directors, the NC has taken into consideration these Directors' contribution and performance. The Board has accepted the NC's recommendation.

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Directors to be re-elected as set out in Appendix 7F of the Catalist Rules could be found on pages 33 to 36 of the Annual Report.

Determining Directors' Independence

Annually, the Directors submit declarations on their independence to the NC for assessment. The NC reviews the independence of each Director annually, and as and when circumstances require, in accordance with the requirements of the Catalist Rules and the provisions of the Code, and also taking into account the guidance in the relevant Practice Guidance. A Director is considered independent if he is independent in conduct, character and judgment, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgment in the best interests of the Company. Each member of the NC and the Board abstained from the NC's and the Board's deliberations in respect of his own independence assessment.

Multiple Board Representations

The NC has considered and the Board has concurred that it would not be appropriate to set a limit on the number of directorships that a Director may hold because directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities. It is for each Director to personally determine the demands of his or her competing directorships and obligations and assess the number of directorships they could hold and serve effectively. The company discloses in its annual report the listed company directorships and principal commitment of each director. A safeguard is the annual review by the NC of each Director's time commitment and performance and assessment whether each Director has discharged his duties adequately.

				Directorship in other listed companies and other principal commitments		
Name of Director	**Appointment**	**Date of first appointment**	**Date of last re-election**	**Current**	**Past five (5) years**	**Principal commitments**
Christian Kwok-Leun Yau Heilesen	Executive Director	23 November 2015	29 June 2022	Ntegrator Holdings Limited (formerly known as Watches.com Limited.)	Nil	Nil
Leung Kwok Kuen Jacob	Independent Non-Executive Chairman	23 November 2015	30 April 2021	Ntegrator Holdings Limited (formerly known as Watches.com Limited.)	Nil	Nil
Zhou Jia Lin	Non-Executive and Non-Independent Director	26 October 2010	30 April 2021	Ntegrator Holdings Limited (formerly known as Watches.com Limited.)	Nil	Nil
Eunice Veon Koh Pei Lee	Independent Director	7 September 2017	29 June 2020	Nil	Nil	Nil
Leung Yu Tung Stanley	Independent Director	6 October 2017	29 June 2022	1) Echo International Holdings Group Limited 2) Ntegrator Holdings Limited (formerly known as Watches.com Limited.)	Nil	Nil

Alternate Director

The Company does not have any Alternate Directors.

BOARD PERFORMANCE

PRINCIPLE 5:
The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors

Board Performance

Each year, the Directors are to complete evaluation forms to assess the overall effectiveness of the Board and the Board Committees, as well as conduct a self-assessment. The results of the evaluation exercise were considered by the NC, which then made recommendations to the Board, aimed at assisting the Board to discharge its duties more effectively.

In assessing the Board's effectiveness, the NC considers a number of factors, including the discharge of the Board's functions, access to information, Directors' participation at board meetings and communication and guidance given by the Board to top management.

In evaluating the Board's performance, the NC implements an assessment process that requires each Director to submit an assessment form of the performance of the Board as a whole during the financial year under review. This assessment process takes into account, inter alia, performance indicators such as promotion of governance, leadership role, development of strategy, oversight of risk, Board process, Board accountability, communication with Management and standard of conduct. The results of the assessment exercise were reviewed by the NC and the NC also considered the contribution by each director towards the achievement of the Board for each of the performance indicator.

The Board Committees are assessed on the work they perform in accordance with their terms of reference and the objectivity and independence in their deliberations and recommendations they presented to the Board.

The contribution of each individual Director to the effectiveness of the Board and Board Committees, where the individual director sits on Board Committee(s) is assessed individually and reviewed by the NC Chairman. The assessment criteria include, inter alia, commitment of time, knowledge and abilities, teamwork, overall effectiveness. The NC's evaluation is shared with the Board and the Chairman would act on the results of the performance evaluation, and in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of directors.

The NC has reviewed the overall performance of the Board and Board Committees in terms of each role and responsibilities and the conduct of individual Directors' performance individually and contribution to the Board and Board Committees as the case may be for FY2022 and is of the view that the performance of the Board as a whole, the Board Committees and each individual Director, has been satisfactory. Although some of the Board members have multiple board representations, the NC is satisfied that sufficient time and attention has been given to the Group by these Directors.

No external facilitator was used in the process to conduct the evaluations.

REMUNERATION MATTERS

PRINCIPLE 6:
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.

LEVEL AND MIX OF REMUNERATION

PRINCIPLE 7:
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

Remuneration Committee

The RC comprises three directors, the majority of whom, including its Chairman, are non-executive and independent.

Mr Leung Kwok Kuen Jacob	(Chairman and Independent Director)
Ms Eunice Veon Koh Pei Lee	(Member and Independent Director)
Ms Zhou Jia Lin	(Member, Non-Independent and Non-Executive Director)

The terms of reference of the RC sets out its duties and responsibilities. Amongst others, the RC is responsible for:

(a) reviewing and recommending to the Board, in consultation with the Chairman, for endorsements, a comprehensive remuneration policy framework and guidelines for remuneration of the Directors and key management personnel;

(b) reviewing and recommending to the Board, for endorsement, the specific remuneration packages for each of the Directors and key management personnel;

(c) reviewing and approving the design of all share option plans, performance share plans and/or other equity-based plans;

(d) reviewing the remuneration of employees related to Directors and/or substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;

(e) in the case of service contracts, reviewing the Group's obligations in the event of termination of the Executive Directors' or key management personnel contracts of service, to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance; and

(f) approving the performance targets for assessing the performance of each of the key management personnel and recommending the performance targets as well as employee specific remuneration packages for each of such key management personnel, for the endorsement of the Board.

In addition, in discharging its functions, the RC may obtain independent external professional advice as it deems necessary and the cost of which will be borne by the Company. The Company did not engage any consultant or external professional advice to discharge its function in FY2022.

Remuneration Matters

Executive Director and Key Management Personnel

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the sole Executive Director and key management personnel commensurate with their responsibility and performance and that of the Company, giving due regard to the financial and business needs of the Group. The Company recognises that a significant and appropriate proportion of executive directors' and key management personnel's remuneration should be structured so as to link rewards to corporate and individual performance, and such performance-related remuneration should be aligned with the interests of shareholders and promote the long-term success of the company.

The performance criteria used to assess the remuneration of sole Executive Director is based on the profitability of the Group, leadership, as well as the sole Executive Director and key management personnel compliance in all audit matters.

Each member of the RC shall abstain from voting on any resolutions in respect of his or her own remuneration package. Long-term incentive schemes are generally encouraged for executive directors and key management personnel. The RC may review whether the Executive Director and key management personnel should be eligible for benefits under long-term incentive schemes. The costs and benefits of long-term incentive schemes should be carefully evaluated. In normal circumstances, offers of shares or grants of options or other forms of deferred remuneration should vest over a period of time. The use of vesting schedules, whereby only a portion of the benefits can be exercised each year, is also strongly encouraged. The Executive Director and key management personnel should be encouraged to hold their shares beyond the vesting period, subject to the need to finance any cost of acquiring the shares and associated tax liability. Currently, the Company has a share-based compensation scheme named Incredible Holdings Performance Share Plan (formerly known as Vashion Performance Share Plan) (the “Scheme”) which was approved by the shareholders at an extraordinary general meeting held on 6 September 2017. The RC administers the Scheme in accordance with the rules of the Scheme. Please refer to Principle 8 – Performance Share Plan for more information.

In setting remuneration packages, the Company has taken into consideration the pay and employment conditions within the industry and in comparable companies. Currently, the remuneration of the Executive Director and key management personnel comprise a basic salary based on the performance of the Group and their individual performance. The Company recognizes the need to pay competitive fees to attract, motivate and retain Executive Directors and key management personnel to provide good stewardship of the company and to successfully manage the company for the long term.

The Company has noted that it is encouraged to consider the use of contractual provisions to allow the company to reclaim incentive components of remuneration from executive directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the company.

Non-Executive Directors

The RC has recommended a fixed fee for Non-Executive Directors, taking into account the effort, time spent and responsibilities of each Non-Executive Director. The Board concurred with the RC that the proposed Directors’ fees for the year ended 31 December 2022 are appropriate and that the Independent Directors receive Directors’ fees in accordance with their level of contributions, taking into account factors such as effort and time spent for serving on the Board and Board Committees, as well as the responsibilities and obligations of the Directors. The Company recognizes the need to pay competitive fees to attract, motivate and retain Non-Executive Directors to provide good stewardship of the company for the long term, without being excessive to the extent that their independence might be compromised. The fee of Non-Executive Directors will be subjected to shareholders’ approval at the Annual General Meeting.

Remuneration Matters

The Board has concurred with the RC and recommendeds a fixed fee for Non-Executive Directors, taking into account the effort, time spent and responsibilities of each Non-Executive Director. The fee of Non-Executive Directors will be subject to shareholders’ approval at the Annual General Meeting.

DISCLOSURE ON REMUNERATION

PRINCIPLE 8:
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

A breakdown showing the level and mix of each Director's and key executives remuneration paid and payable for FY2022 is as follows:

Name of Director	Salary (S$)	Bonus (S$)	Other Benefits* (S$)	Directors' Fee (S$)	Total (S$)
Ms Zhou Jia Lin	–	–	–	30,000	30,000
Mr Christian Kwok-Leun Yau Heilesen	253,438	–	280,894	–	534,33
Mr Leung Kwok Kuen Jacob	–	–	–	30,000	30,000
Ms Eunice Veon Koh Pei Lee	–	–	–	30,000	30,000
Mr Leung Yu Tung Stanley	–	–	–	30,000	30,000

Name of Key Executive	Salary %	Bonus %	Other Benefits* %	Total %	Total Remuneration in Compensation Bands of $250,000
Mr Chan Ka Ki, Chief Financial Officer	100	–	–	100	<$250,000
Mr Choo Tian Wang, General Manager	100	–	–	100	<$250,000

*Other benefits refers to housing allowance

The Company has only two key management executives for FY2022. In aggregate, the total remuneration paid to them in FY2022 was S$193,504.

Employees who are substantial shareholders or immediate family members of a substantial shareholder, Directors or the chief executive officer

During FY2022, there were two (2) employees who were immediate family members of the Executive Director whose remuneration exceeded S$100,000.

Mr Henrick Yau Kwok Hang Heilesen is the brother of the Executive Director and Ms Siu Yik Tung is the spouse of the Executive Director. The remuneration of Mr Henrick Yau Kwok Hang Heilesen fell within the band of S$200,001 to S$300,000 and Ms Siu Yik Tung fell within the band of S$100,001 to S$200,000.

The Company does not have a CEO. Save as disclosed, there is no other employee who is a substantial shareholder or immediate family members of the Directors or substantial shareholders whose remuneration exceed S$100,000 for FY2022.

In setting the remuneration packages of the Executive Directors and officers, the Company takes into account the contribution of the Executive Director and key executives to the Group and that is aligned with long term interest and risk policies of the Group.

Performance Share Plan

Incredible Holdings Performance Share Plan (formerly known as Vashion Performance Share Plan) was approved by the shareholders at an extraordinary general meeting held on 6 September 2017. The RC administers the Scheme in accordance with the rules of the Scheme.

The Scheme, which forms an integral component of the Company's compensation plan, is designed to reward and retain eligible participants whose services are vital to the well-being and success of the Company. It provides eligible participants who have contributed to the success and development of the Company with an opportunity to participate, and also increases the dedication and loyalty of these participants and motivates them to perform better. No employees had met the performance criteria for FY2022.

Under the rules of the Scheme, Executive Directors and Non-Executive Directors (including Independent Directors) and employees of the Group, who are also controlling shareholders are eligible to participate in the Scheme.

Pursuant to Catalist Rule 858, shareholders who are eligible to participate in the Scheme must abstain from voting on any resolution relating to the Scheme (other than a resolution relating to the participation of, or grant of options to, Directors and employees of the Group).

The total number of new shares over which awards may be granted pursuant to the Scheme, when added to the number of shares issued and issuable under such other share-based incentive plans (where applicable) of the Company, shall not exceed 15% of the issued share capital of the Company on the date preceding the grant of the awards.

The total number of performance shares which may be issued pursuant to awards granted under the Scheme, when aggregated with the aggregate number of shares, over which options are granted under any other share option schemes of the Company, shall not exceed fifteen per cent (15%) of the issued shares of the Company (excluding any shares held in treasury) on the day preceding the award date.

The Scheme shall continue in operation for a maximum duration of 10 years and may be continued for any further period thereafter with the approval of the shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

There have been no shares issued since the commencement of the Scheme.

RISK MANAGEMENT AND INTERNAL CONTROLS

PRINCIPLE 9:
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

PRINCIPLE 10:
The Board has an Audit Committee which discharges its duties objectively

Risk Management

The Board determines the levels of risk tolerance and risk policies the Company is willing to take in achieving its strategic objectives and value creation. The Board oversees Management in the design, implementation and monitoring of the risk management and internal control systems.

The AC oversees the Group's risk management process, through reviewing the adequacy and effectiveness of the risk management policy, practices and strategies. It also has oversight of key risk exposures and will in turn report to the Board of Directors on all risk matters. As the oversight of risk vests with the AC, the Board does not see the need to form a separate risk management committee comprising AC members.

The Group and the Company do not hold or issue derivative financial instruments for trading purposes or hedge against fluctuation in interest rates and foreign exchange rates. The steps taken by the Group to manage its exposure to financial risk are set out in the Financial Report on pages 93 to 102 of the Notes to the Financial Statements.

At the management level, the Group Risk Management Committee ("GRMC"), chaired by the Executive Director, reports to the AC annually or more frequently as needed. The GRMC highlights significant risk issues, both existing and emerging, for discussion with the AC and the Board, taking into account the immediate operating environment and the next half-year operation.

Annually, the Board reviews the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls. These reviews are carried out internally or with the assistance of internal auditors appointed during the financial year just ended.

For the financial year ended 31 December 2022, the Board has received assurance from the Executive Director and the Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and from the Executive Director and the Chief Financial Officer who are responsible that the company's risk management and internal control systems are adequate and effective.

The Group has implemented a stringent cost and cash flow management process and all significant expenses would be approved by the top management and monthly cash flow forecast for next twelve months would be circulated to the Board for monitoring and necessary actions.

Internal Audit and Internal Controls

The Group has outsourced its internal audit function to GovernAce Advisory & Solutions Pte. Ltd. ("**GovernAce**"), a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. GovernAce currently maintains an outsourced internal audit portfolio of SGX-ST listed companies in various industries. The engagement team comprises one certified internal audit director having more than 15 years of internal audit experience, a manager and an executive. The AC decides on the hiring, removal, evaluation and compensation of the internal auditor ("IA"). GovernAce has confirmed their independence as internal auditor to the Board.

The IA plans their audit schedules in consultation with, but independent of, the management. The IA plan is submitted to the AC for approval prior to implementation. The AC reviews the activities of the IA, and meets with the internal auditor to approve their plans and to review their report for the prior reporting period.

The IA will report their audit findings and recommendations directly to the Chairman of the AC. The IA has unfettered access to all the Group's documents, records, properties and personnel, including access to the AC, and has appropriate standing within the company.

The AC is of the opinion that the key financial, operational, compliance and information technology risks of the Group have been appropriately managed and the improvement to the system of internal controls recommended by GovernAce have adequately addressed the key financial, operational, compliance and information technology risks of the Group.

Based on the Group's existing management controls in place, the internal control policies and procedures established and maintained by the Group, as well as the reviews performed by the external and internal auditors, the Board, is of the view that the internal control systems of the Group, addressing the financial, operational, compliance and information technology risks and risk management system are adequate and effective as at 31 December 2022. The AC concurred with the Board.

The AC may commission an independent audit on internal controls and risk management systems for its assurance, or where it is not satisfied with the systems of internal control controls and risk management.

The AC, having considered and assessed the suitability, adequacy of resources and experience of GovernAce, is satisfied that the appointment of GovernAce would assist and not compromise the standard and effectiveness of the internal audit of the Company.

The AC is of the view that the IA function being conducted by GovernAce is staffed with persons with relevant qualifications and experience. IA has carried out its function according to the Standard for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

GovernAce has performed internal audit for FY2022.

Audit Committee (AC)

The AC comprises three Non-Executive Directors, the majority of whom are independent. The members of the AC are:

Mr Stanley Leung Yu Tung	(Chairman and Independent Director)
Mr Leung Kwok Kuen Jacob	(Member and Independent Director)
Ms Zhou Jia Lin	(Member, Non-Independent and Non-Executive Director)

The Chairman of the AC is Mr Stanley Leung Yu Tung, a member of Hong Kong Institute of Certified Public Accountant. Mr Leung Kwok Kuen Jacob has extensive experience in administrative management. Ms Zhou Jia Lin has 16 years of management and investment experience. The Board is of the view that the members of the AC are appropriately qualified, having accounting or related financial and management expertise or experience as the Board interprets such qualification, to discharge their responsibilities.

The role and functions of the AC are specified in the Companies Act, Cap 50 and is guided by the AC's Terms of Reference adopted by the Board, which are as follows:-

a. review annually with the external auditors the scope, audit plan, their evaluation of the system of internal accounting controls, their audit report, the independence and objectivity, their management letter and the management's response;

b. review and report to the Board at least annually on the scope, independence, adequacy and effectiveness of the results of the external audit and the Group's internal controls, risk management system and internal audit function, including financial, operational, compliance and information technology controls and review the assurance from the CEO and the CFO on the financial records and financial statements;

c. review the interim and annual financial statements, announcements and balance sheets and income statements before submission to the Board for its approval, focusing in particular, on significant financial reporting issues and judgements, changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with Financial Reporting Standards as well as compliance with any stock exchange and statutory regulatory requirements;

d. ensure co-ordination between the external auditors and the management, review the assistance given by management to the auditors and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary);

e. review and discuss with the external auditors and at appropriate times, report the matter to the board and to the sponsor when there is any suspected fraud or irregularity, or suspected 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;

f. recommendations to the Board on proposals to the shareholders on the appointment and removal of external auditors; and consider the remuneration and terms of engagement of the external auditors;

g. the AC shall meet with the external auditors and internal auditor without the presence of the Company's management at least once a year;

h. review transactions falling within the scope of the Audit Committee Charter in respect of Interested Person Transactions and the Catalist Rules;

i. undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

j. ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

k. review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

l. generally undertake such other functions and duties as may be required under the Audit Committee Charter, by statute or the Catalist Rules, and by such amendments made thereto from time to time; and

m. assess on whether there is a need to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to the issuer and continuous monitoring of the validity of the information provided to shareholders and SGX

Where the external auditors, in their review or audit of the Company's year-end financial statements, raise any significant issues which have a material impact on the interim financial statements or financial updates previously announced by the company, the AC should bring this to the Board's attention immediately.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The Board is satisfied that the members of the AC have recent and relevant accounting or related financial management expertise or experience to discharge the AC's functions. The AC is kept abreast by the Management and the external auditors of changes to accounting standards, Listing Rules of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation and none of the AC members have any financial interest in the auditing firm or auditing corporation.

The Company confirms that it has complied with Catalist Rules 712 and 715. The Company's external auditor RT LLP, registered with the Accounting and Corporate Regulatory Authority, is the external auditor of the Company and all of its Singapore subsidiaries. The Company also engaged East Asia Sentinel Limited, registered with the Hong Kong Institute of Certified Public Accountants, as the external auditors of all Hong Kong subsidiaries.

The audit fees to external auditors in FY2022 were S$258,498 and there was no non-audit service rendered by external auditors. The AC has reviewed the nature and extent of the services rendered by the external auditors for the financial year ended 31 December 2022 and is satisfied that the independence of the external auditors have not been impaired.

To keep abreast of the changes in accounting standards and issues which have a direct impact on financial statements, discussions are held with the External Auditors when they attend the AC meetings every half yearly. The AC members were encouraged to attend external courses conducted by relevant professional institutes as and when deemed necessary or upon request.

The AC meets with both the internal and external auditors without the presence of the Management at least once a year.

The AC has recommended to the Board of Directors that the external auditors, RT LLP be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

The Company has in place a whistle-blowing framework where staff of the Company can access the AC Chairman to raise concerns about improprieties.

The AC is responsible for the oversight and monitoring of any whistleblowing matters.

Employees are free to bring complaints in confidence to the attention of their supervisors. The recipient of such complaints shall forward them promptly to the AC Chairman. The Group will treat all information received confidentially and protect the interest of all whistleblowers.

The Company will not tolerate the harassment or victimisation of a whistleblower. Any effort to retaliate against a whistleblower or harass him shall be strictly prohibited and shall be reported immediately to the AC Chairman.

Investigation of a complaint will be conducted by an independent investigation team nominated by the AC to conduct the investigation impartially.

Following investigation and evaluation of a complaint, the AC Chairman shall report to the AC on recommended disciplinary or remedial action, if any. The action determined by the AC to be appropriated shall then be brought to the Board or to appropriate members of senior management for authorization and implementation respectively. An employee can access the AC Chairman directly to raise concern if he feels that it could not be effectively addressed at managerial level.

The policy is communicated to all employees as part of the Group's efforts to promote awareness of fraud control.

Investment Committee (IC)

The IC was formed on 17 October 2013 which comprises the following members: -

Mr Stanley Leung Yu Tung	(Chairman and Independent Director)
Mr Leung Kwok Kuen Jacob	(Member and Independent Director)
Ms Zhou Jia Lin	(Members and Non-Executive and Non-Independent Director)
Mr Christian Kwok-Leun Yau Heilesen	(Member and Executive Director)
Ms Eunice Veon Koh Pei Lee	(Members and Independent Director)

The IC is responsible for developing the Group's investment objectives, governing and overseeing investment plans and/or strategies.

The principal objectives of IC are, among others:

Fund raising:

– To determine the Group's cash flow and funding needs and work with the finance department to ensure that those needs can be met by cash flows derived from operations and/or fundraising activities.

– To formulate fund raising proposals for the consideration of the Board.

– To lead and supervise fund raising actions approved by the Board, including appointment and instructing of professionals, liaising with regulatory authorities, and ensuring that fund raising actions achieve the objectives and within budgetary limits set out by the Board.

Investments:

– To determine the Group's risk tolerance and investment time horizon in consultation with the Board.

– To formulate and from time to time review the investment objectives, policies and guidelines and investment risk management.

– To evaluate, review and concur with all major investment projects including restructuring or disposals or sale of the Group's key assets.

– To review the annual investments proposal of the Group.

– To evaluate any significant capital commitment and divestment by the Group.

– To evaluate the professional evaluation system set up by the Group, including three major components: effectiveness of the evaluating organization and professionals, completeness of the evaluation procedures and the appropriateness of the evaluation standard.

There were no IC meetings in FY2022 as members of IC consist the whole Board, who are involved in and approves all investment and fund raising corporate exercises.

SHAREHOLDERS' RIGHTS AND CONDUCT OF GENERAL MEETINGS

PRINCIPLE 11:
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

ENGAGEMENT WITH SHAREHOLDERS

PRINCIPLE 12:
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

Providing Opportunity for Shareholders to Participate and Vote at General Meetings

The Company's corporate governance culture and awareness promotes fair and equitable treatment of all shareholders. All shareholders enjoy specific rights under the Singapore's Companies Act, Chapter 50, and the constitution of the Company. All shareholders are treated fairly and equitably.

The Company respects the equal information rights of all shareholders and is committed to the practice of fair, transparent and timely disclosure.

Shareholders are given the opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing the meetings are clearly communicated. The Company does not provide for absentia voting methods such as by mail, email, or fax due to concerns as to the integrity of such information and authentication of the identity of shareholders voting by such means. However, the Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act) to appoint one or two proxies to attend and vote at its general meetings in his absence. The Companies Act allows relevant intermediaries which include CPF Approved Nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF Approved Nominees' proxies.

The external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Shareholders are encouraged to attend the general meetings to ensure a high level of accountability and to stay informed of the Group's strategies and goals. The general meetings are the principal forum for dialogue with shareholders to gather views or inputs, and address shareholders' concerns.

In 2022, the Company held one annual general meeting and two extraordinary general meetings. All board members were present at the meetings to address shareholders' queries.
The external auditor is also present to assist the Directors in addressing any relevant queries by shareholders. The attendance of the Directors for the general meetings in 2022 is as follows:

Meetings	Annual General Meeting held on 29 June 2022	Extraordinary General Meeting held on 7 February 2022	Extraordinary General Meeting held on 4 May 2022
Leung Kwok Kuen Jacob	1	1	1
Christian Kwok-Leun Yau Heilesen	1	1	1
Zhou Jia Lin	1	1	1
Stanley Leung Yu Tung	1	1	1
Eunice Veon Koh Pei Lee	1	1	1

No Directors' absence for the general meetings were recorded.

The Company ensures that there are separate resolutions at general meetings on each distinct issue. Each item of special business included in the notice of meetings will be accompanied by the relevant explanatory notes. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting. This is to enable the shareholders to understand the nature and effect of the proposed resolutions. The Company will put all resolutions to vote by poll at the forthcoming annual general meeting compliance with the Catalist Rules.

The Company would prepare minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management. The minutes will be taken and published in the Company's corporate website at www.incredible.sg and SGXNET as soon as practicable, but within1 month from the date of the general meeting.

In addition, the Company's website allows shareholders and investors to have access to information on the Group including the Company's announcements made to the SGX-ST and the contact email at investors@incredible.sg and/or ac_chairman@incredible.sg. The Company will respond to queries and feedback received from shareholders and investors.

Investor relations

The Board is mindful of its obligations to provide timely and full disclosure of material information to shareholders of the Company and conduct its investor relations on the following principles:

a. annual reports issued to all shareholders;

b. half and full-year results announcements on the SGXNET;

c. other announcements and any matters it deem pertinent which would likely to have a material effect on the price or value of the Company's shares on the SGXNET;

d. operate an open policy with regard to investor/email enquiries.

e. no selective disclosure of information.

Dividend Policy

The Company does not have a policy on payment of dividends. The issue of payment of dividends is deliberated by the Board annually, having regards to various factors including its cash flow, general business conditions and strategies, current and future operations, statutory, contractual and regulatory restrictions as the Board deems appropriate. The Company did not declare dividend for the financial year ended 31 December 2022 due to the losses incurred during the financial year.

ENGAGEMENT WITH STAKEHOLDERS

PRINCIPLE 13:
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

The Group's material stakeholders include its shareholders, customers, employees, suppliers and government and regulators and the Company engages with them through its sustainability initiatives and corporate social responsibility programmes as set out in its Sustainability Report for FY2022 published on SGXNET on 28 April 2023. Please see below some information extracted from the Sustainability Report for FY2022:

CORPORATE GOVERNANCE STATEMENT

Sustainability reporting has become a key component for listed companies to promote transparency on their sustainable business practices in relation to the environmental, social and governance ("ESG") topics. The following ESG topics have been identified and the approaches of managing these topics are stated in its Sustainability Report for FY2022:

Material Topics

1. Economic Performance (Economy and Business Conduct: GRI 201-1);
2. Anti-Corruption (Economy and Business Conduct: GRI 205-3);
3. Compliance with the Laws and Regulations (Economy and Business Conduct: GRI 2-27)
4. Energy & Emissions (Environment: GRI 302-1, GRI 305-1, GRI 305-2);
5. Waste Management (Environment: GRI 306-2);
6. Employment (People: GRI 401-1)
7. Diversity & Equal Opportunity (People: GRI 405-1); and
8. Product Information and Labeling (Product Information GRI 417-1)

For details, please see full version of Sustainability Report for FY2022 published on SGXNET on 28 April 2022.

The Company will issue its next Sustainability Report by end April 2024.

The Company maintains a corporate website at www.incredible.sg where stakeholders can access information on the Group. The website provides, inter alia, corporate announcements, and profiles of the Group.

Material Contracts

There were material contracts entered into by the Company involving the interest of the Independent Non-Executive Chairman and Executive Director, any other Director, or controlling shareholder, either still subsisting at the end of FY2022 or if not then subsisting, entered into since the end of the previous financial year as follows. Please refer to the respective announcements for further details:-

As announced on 5 January 2022, the Company has on 31 December 2021 entered into a subscription agreement with Ntegrator Holdings Limited ("Ntegrator") (formerly known as Watches.com Limited) in relation to, inter alia, a proposed issuance of:

(a) 0% perpetual bonds of an aggregate principal amount of S$6,900,000;

(b) 0% perpetual convertible bonds of an aggregate principal amount of S$2,100,000 which shall, at the option of the holder thereof, be convertible into new ordinary shares in the Company at a conversion price of S$0.004 per share; and

(c) 1,000,000,000 free warrants, each warrant shall grant the holder thereof the right to subscribe for one new ordinary share in the Company at an exercise price of S$0.0016 per share.

As announced on 5 January 2022, the Company has on 31 December 2021 entered into a subscription agreement with Ntegrator in relation to, inter alia, a proposed subscription of:

(a) 0% perpetual convertible bonds of an aggregate principal amount of S$9,000,000 which shall, at the option of the holder thereof, be convertible into new ordinary shares in Ntegrator at a conversion price of S$0.003333 per share; and

(b) 10,000,000,000 free warrants, each warrant shall grant the holder thereof the right to subscribe for one new ordinary share in Ntegrator at an exercise price of S$0.003333 per share.

As announced on 6 May 2022, the Company entered into 3 conditional placement agreements with Mission Well Limited ("Mission Well"), Ms Zhou Qilin and Ms Zheng Zeli in relation to, inter alia:

(a) a proposed allotment and issuance of an aggregate of 12,619,006,855 new ordinary shares ("Subscription Share") in the Company to Mission Well at a subscription price of S$0.0011 per Subscription Share;

(b) a proposed issuance of 18,928,510,282 free warrants, on the basis of 15 free warrants on every 10 Subscription Shares, to Mission Well, each warrant shall grant the holder thereof the right to subscribe for one new ordinary share in the Company ("Exercised Share") at an exercise price of S$0.0011 for each Exercised Share;

(c) a proposed allotment and issuance of an aggregate of 636,363,636 Subscription Shares to Ms Zhou at a subscription price of S$0.0011 per Subscription Share;

(d) a proposed issuance of 954,545,454 free warrants, on the basis of 15 free warrants on every 10 Subscription Shares to Ms Zhou, each warrant shall grant the holder thereof the right to subscribe for one Exercised Share at an exercise price of S$0.0011 for each Exercised Share;

(e) a proposed allotment and issuance of an aggregate of 836,363,636 Subscription Shares to Ms Zheng at a subscription price of S$0.0011 per Subscription Share;

(f) a proposed issuance of 1,254,545,454 free warrants, on the basis of 15 free warrants on every 10 Subscription Shares to Ms Zheng, each warrant shall grant the holder thereof the right to subscribe for one Exercised Share at an exercise price of S$0.0011 for each Exercised Share.

The Company made a withdrawal announcement on 11 June 2022 in relation to the Company's announcement dated 6 May 2022 in relation to the entry into the conditional placement agreements with Mission Well Limited, Ms Zhou Qilin and Ms Zheng Zeli.

As announced on 25 July 2022, the Company appointed a joint independent reviewer, Provenance Capital Pte Ltd to review all corporate actions and fund-raising exercises announced by the Company in the last 12 month. The scope of work of the independent review includes, inter alia, reviewing and assessing:

1. the circumstances that led to these transactions and corporate actions;
2. whether these transactions and corporate actions were entered into on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders;
3. whether the transactions and corporate actions make commercial sense; and
4. how these transactions and corporate actions, if undertaken, will support each of the Company's and Watches.com's (currently known as "Ntegrator Holdings Limited") goals and plans.

Save as disclosed above, there were no other material contracts entered into by the Company or any of its subsidiaries involving the interest of the Independent Non-Executive Chairman and Executive Director, any other Director, or controlling shareholder, either still subsisting at the end of FY2022 or if not then subsisting, entered into since the end of the previous financial year.

Interested Person Transactions

The Company has an internal policy in respect of any transactions with interested person and has in place a process to review and approve any interested person transaction.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Greater Hero Limited(1)	A company wholly-owned by the Executive Director of the Company	–	–
Yourwatches.com ApS(2)	A company wholly-owned by the Executive Director of the Company	–	–
Greater Hero Limited(3)	A company wholly-owned by the Executive Director of the Company	–	–
Ace Sight Limited(4)	A Company wholly-owned by the family of the Executive Director of the Company	–	–

Notes:

(1) The Group had leased an office of Billion Credit Financial Company Limited from a company which is wholly-owned by Christian Kwok-Leun Yau Heilesen who is the Executive Director of the Company and controlling shareholder of the Company with 59.14%. Accordingly, this is an IPT as he is an "interested person" for the purposes of Chapter 9 of the Catalist Rules. The total rental expenses paid in FY2022 for the period from April 2022 to December 2022 was HK$450,000 (equivalent to S$75,000);

(2) The Company had leased part of the office of HB 2021 ApS to Yourwatches.com ApS which is wholly-owned by Christian Kwok-Leun Yau Heilesen who is the Executive Director of the Company and controlling shareholder of the Company with 59.14%. Accordingly, this is an IPT as he is an "interested person" for the purposes of Chapter 9 of Singapore Exchange Securities Trading Limited's Listing Manual Section B: the Rules of Catalist ("Catalist Rules"). The rental income for FY2022 was DKK460,000 (equivalent to S$90,000)

(3) The Group had leased an office of CKLY Trading Limited from a company which is wholly-owned by Christian Kwok-Leun Yau Heilesen who is the Executive Director of the Company and controlling shareholder of the Company. Accordingly, this is an IPT as he is an "interested person" for the purposes of Chapter 9 of the Catalist Rules. The total rental expenses paid in FY2022 for the period from April 2022 to December 2022 was HK$242,000 (equivalent to S$43,000). The amount represented a 42% share of rental expenses attributable to the Company's shareholdings in Golden Ultra Limited.

(4) Ace Sight Limited ("Lender") provided Billion Credit Financial Company Limited with a loan of HK$3,600,000 as working capital for the loan financing business. A family member of the Executive Director, on 28 March 2022, acquired all of the share capital of the Lender. Interest expenses of S$38,808 was accrued to the Lender.

Save as disclosed above, there were no interested person transactions entered into by the Group exceeding the S$100,000 during the financial year ended 31 December 2022.

Non-Audit Fees

The external audit fees for financial year ended 31 December 2022 payable by the Group to the Company's external auditors are S$258,498. There were no non-audit fees rendered by the external auditors to the Company and the Group for the financial year ended 31 December 2022. There were no audit or non-audit fees paid to previous external auditors during the financial year.

Non-Sponsor Fees

There was no non-sponsor fee to Hong Leong Finance Limited, being the Sponsor, during the financial year ended 31 December 2022.

Securities Transactions

In line with Rule 1204(19) of the Rules of Catalist on Dealing in Securities, the Company has adopted its own compliance code to provide guidance to its officers with regards to dealing by the Company and its officer in its securities. The Company and its officers (1) should not deal in shares of the Company on short-term considerations or if they are in possession of unpublished material price-sensitive information; and (2) they are required to report on their dealings in shares of the Company. The Company and its officers are also reminded of the prohibition in dealing in shares of the Company one month before the announcement of the Company's half year and full year financial statements.

Utilisation of the Proceeds from the Rights Issue

The Company had on 3 February 2021 announced that 2,693,670,727 Rights Shares and 2,693,670,727 2021 Warrants have been allotted and issued by the Company on 2 February 2021. The proceeds from the issue of the Rights Shares was S$5,673,541.45 ("**Rights Issue Proceeds**") which for the avoidance of doubt, excluded the undertaken Rights Shares subscription amount of approximately S$9.4 million that was set off against an equivalent amount of the principal amount outstanding and due and owing by the Company to Mission Well under the Mission Well Loan Agreement and Go Best Holdings Limited under the Go Best Loan Agreement.

As at the date of this annual report, the Company has utilized the Rights Issue Proceeds as follows:

Use of proceeds	**Allocation as per the Offer Information Statement**		**Reallocation**	**Amount utilized as at the date of this annual report**	**Balance**
	%	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Funding the Financing Business	10	567	(567)	–	–
New Acquisitions	10	567	–	(300)	267
Expansion of the Luxury Goods Business	50	2,837	867	(3,704)	–
For general corporate and working capital purpose	30	1,702	(300)	(1,402)	–
Total	100	5,673	–	(5,406)	267

The above utilisation of the Rights Issue Proceeds is consistent with the intended uses as disclosed in the Company's Offer Information Statement dated 8 January 2021 and the Company's announcement dated 21 June 2021 on the re-allocation of the uses of the Rights Issue Proceeds. The Company will continue to make periodic announcements via SGXNet on the utilisation of the balance of the proceeds as and when such proceeds are materially disbursed.

An aggregate amount of S$1,402,000 had been used for general working capital and the principal disbursements are set below:

	S$'000
Professional fees	408
Website development expenses	123
Director fee	160
Others (included payroll, bank charges and other operating expenses)	711
Total	1,402

Key Information of Directors to be re-elected

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Directors to be re-elected as set out in Appendix 7F of the Catalist Rules is disclosed below:

Name of Director	Zhou Jia Lin	Eunice Veon Koh Pei Lee
Date of Appointment	26 October 2010	7 September 2017
Date of last re-appointment	30 April 2021	29 June 2020
Age	51	43
Country of principal residence	Hong Kong	Singapore
The Board's comments on this appointment (including rationale, selection criteria and the search and nomination process	The re-election of Ms Zhou as the Non-Executive and Non-Independent Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration her qualifications, past experience and overall contribution since she was appointed as a Director of the Company.	The re-election of Ms Koh as the Independent Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration her qualifications, past experience and overall contribution since she was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Non-Independent Director, Nominating Committee member, Remuneration Committee member, Audit Committee member and Investment Committee member	Independent Director, Remuneration Committee member, Nominating Committee member and Investment Committee member
Professional qualifications	Graduated from high school	Bachelor of Economics from RMIT
Working experience and occupation(s) during the past 10 years	2003 – Present – Individual investor	(1) 10/2019 – current – UOB Kay Hian Pte Ltd – Remisier (2) 01/2013 – 10/2019 – DBS Vickers Securities (S) Pte Ltd – Remisier (3) 06/2010 – 12/2012 – DBS Vickers Securities (S) Pte Ltd – Equity Dealer (4) 03/2008 – 06/2010 – OCBC Securities Pte Ltd – Equity Dealer
Shareholding interest in the listed issuer and its subsidiaries	None	None
Any relationship (including immediate family relationship) 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 (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments including Directorships		
Past (for the last 5 years)	Directorships: - Echo International Holdings Group Limited Principal Commitments: - Nil	Directorships: - Nil Principal Commitments: - Nil
Present	Directorships: - Ntegrator International Limited (formerly known as Watches.com Limited.) Principal Commitments: - Nil	Directorships: - Nil Principal Commitments: - Nil
(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?	None	None
(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?	None	None
(c) Whether there is any unsatisfied judgment against him?	None	None
(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?	None	None

(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?	None	None
(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?	None	None
(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?	None	None
(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?	None	None
(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?	None	None
(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	None	None
(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	None	None

(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	None	None
(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?	None	None
(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?	None	None
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable as this is in relation to re-election of director	Not applicable as this is in relation to re-election of director
If yes, please provide details of prior experience.	Not applicable	Not applicable
If not, 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.	Not applicable	Not applicable

DIRECTORS' STATEMENT

31 December 2022

The directors hereby present their statement to the members together with the audited consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2022.

In the opinion of the directors:

(i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 45 to 108 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS (I)"); 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.

The board of directors approved and authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are:

Christian Kwok-Leun Yau Heilesen	(Executive Director)
Zhou Jia Lin	(Non-executive and Non-independent Director)
Leung Kwok Kuen Jacob	(Independent Non-executive Chairman and Independent Director)
Leung Yu Tung Stanley	(Independent Director)
Eunice Veon Koh Pei Lee	(Independent Director)

Arrangement to enable directors to acquire benefits

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 in or debentures of the Company or any other body corporate.

Directors' interest in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967 (the "Act") except as follows:

	Number of ordinary shares Shareholdings registered in their own names	
Name of director	**At 1.1.2022**	**At 31.12.2022**
Immediate and ultimate holding company		
Mission Well Limited		
Christian Kwok-Leun Yau Heilesen		
- Ordinary shares	5,000,000	5,000,000

Directors' interest in shares or debentures (cont'd)

Name of director	Number of ordinary shares Shareholdings in which a director is deemed to have an interest At 1.1.2022	At 31.12.2022
The Company		
Christian Kwok-Leun Yau Heilesen		
- Ordinary shares	1,770,461,781	1,770,461,781
- Warrants	1,680,538,325	1,680,538,325

The director, Christian Kwok-Leun Yau Heilesen, by virtue of Section 7 of the Act is deemed to have an interest in the shares held by the Company in its wholly-owned subsidiaries.

The directors' interest in the ordinary shares and share options of the Company as at 21 January 2023 were the same as those as at 31 December 2022.

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.

Performance Share Plan

The Company has the Incredible Performance Share Plan ("Incredible PSP"). The Incredible PSP was approved and adopted by the shareholders on 6 September 2017. The purpose of the Incredible PSP is to reward, retain and motivate employees, directors, controlling shareholders and their associates to improve their performance. In line with this, the Company believes that the Incredible PSP will strengthen the overall effectiveness of performance based compensation schemes. The Incredible PSP allows the Company to award fully-paid shares to deserving participants.

The Remuneration Committee of the Company administrating the Incredible PSP are as follows:

Leung Kwok Kuen Jacob	(Chairman and Independent Director)
Eunice Veon Koh Pei Lee	(Member and Independent Director)
Zhou Jia Lin	(Member, Non-Independent and Non-Executive Director)

The following persons are eligible to participate in the Incredible PSP at the absolute discretion of the Remuneration Committee:

(a) Group employees (including any Group Executive Director) who, as of the date on which the share granted under the Incredible PSP ("Award Date"), have attained the age of 21 years and hold such rank as may be designated by the Remuneration Committee from time to time and who have, as of the Award Date, been in full time employment of the Group for a period of at least 12 months (or in the case of any Group Executive Director, such shorter period as the Remuneration Committee may determine), provided that none shall be an undischarged bankrupt as at the Award Date.

(b) Non-Executive Directors (including Independent Directors) who, in the opinion of the Remuneration Committee, have contributed or will contribute to the success of the Group.

(c) Persons who are qualified under (a) and (b) above and who are also controlling shareholders or Associates of controlling shareholders.

Performance Share Plan (cont'd)

Other salient information relating to the Incredible PSP is set out below:

– Directors and employees of the Company's associated company and the Company's parent company and its subsidiaries (other than the Company and the Company's subsidiaries) are not entitled to participate in the Incredible PSP.

– Controlling shareholders and associates of controlling shareholders are eligible to participate in the Incredible PSP provided that the participation of and the actual number of performance shares ("Performance Shares") to be issued and the terms of any Award to be granted to each of them shall be approved by independent shareholders in separate resolutions for each such person (provided always that it shall not be necessary to obtain the approval of the independent shareholders of the Company for the participation in the Incredible PSP of a controlling shareholder or his associate who is, at the relevant time, already a Participant) subject to the following:

  (a) the aggregate number of Performance Shares available to controlling shareholders and Associates of controlling shareholders shall not exceed 25% of the total number of Performance Shares which may be granted under the Incredible PSP; and

  (b) the number of Performance Shares available to each controlling shareholder or Associate of controlling shareholder shall not exceed 10% of the total number of shares which may be granted under the Incredible PSP.

– The total number of Performance Shares which may be issued pursuant to Awards granted under the Incredible PSP, when aggregated with the aggregate number of Shares, over which options are granted under any other share option schemes of the Company, shall not exceed fifteen per cent (15%) of the issued Shares of the Company (excluding any Shares held in treasury) on the day preceding the Award Date.

– The Incredible PSP shall be valid and effective for a period of 10 years from the date of adoption until 5 September 2027.

There were no Performance Shares awarded, vested, lapsed or cancelled since the commencement of Incredible PSP until 31 December 2022.

Audit Committee

The Audit Committee comprises three members, two of whom are independent directors. The members of the Audit Committee during the year and at the date of this statement are:

Leung Yu Tung Stanley (Chairman)
Leung Kwok Kuen Jacob
Zhou Jia Lin

The Audit Committee carried out its function in accordance with Section 201B(5) of the Singapore Companies Act. Their functions are detailed in the Report on Corporate Governance.

In performing its functions, the Audit Committee met with the Company's independent and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control systems.

Audit Committee (cont'd)

The Audit Committee also reviewed the following:

- assistance provided by the Company's management to the internal and independent auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee, having reviewed all non-audit services, provided by the independent auditor of the Company, was satisfied with the independence and objectivity of the independent auditor.

Independent auditor

The independent auditor, RT LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the directors

Christian Kwok-Leun Yau Heilesen Director	Leung Kwok Kuen Jacob Director

29 July 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Incredible Holdings Ltd.

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Incredible Holdings Ltd (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Group and the statement of financial position and statement of changes in equity of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Notice of Compliance ("NOC") issued by Singapore Exchange Regulation ("SGX RegCo" or the "Exchange")

On 27 June 2022, the Company received a NOC from the Exchange requires the Company to appoint a suitable joint independent reviewer ("Joint Independent Reviewer") to perform a holistic review of certain corporate actions and fund-raising exercises announced by both the Company and Ntegrator Holdings Ltd (F.K.A. Watches.com Limited) ("Ntegrator"), a company listed on Catalist.

Mr Christian Kwok-Leun Yau Heilesen ("Mr Heilesen") is the Executive Director of both the Company and Ntegrator respectively. Furthermore, the Company and Ntegrator have substantially similar members on their Audit Committee and Nominating Committee.

Relevant corporate actions and fund-raising exercises under the scope of review by the Joint Independent Reviewer are:

1. Acquisition of 100% equity interests in HB 2021 ApS by the Company;

2. Acquisition of 100% equity interests in Billion Credit Financial Company by the Company;

3. Acquisitions of 42% and 55% equity interests in Golden Ultra Limited by the Company and Ntegrator respectively from Mr Heilesen; and

4. Acquisitions of 15% and 85% equity interests in New Genesis Development Limited by the Company and Ntegrator respectively.

The Exchange directs the Joint Independent Reviewer to review and assess (i) the circumstances that led to these transactions and corporate actions; (ii) whether these transactions and corporate actions were entered into based on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders; (iii) whether these transactions and corporate actions make commercial sense; and (iv) how these transactions and corporate actions, if undertaken, will support each of the Company's and Ntegrator's goals and plans (the "Independent Review").

INDEPENDENT AUDITOR'S REPORT

To the members of Incredible Holdings Ltd.

Report on the Audit of the Financial Statements (Cont'd)

Basis for Disclaimer of Opinion (cont'd)

Notice of Compliance ("NOC") issued by Singapore Exchange Regulation ("SGX RegCo" or the "Exchange") (cont'd)

At the date of our report, the Independent Review remains ongoing. Accordingly, we are unable to ascertain whether the Independent Review, the outcome of which are still unknown, would have an impact on the Group's business operations. We are unable to ascertain the extent of pervasiveness and/or significance of any adjustments or completeness of disclosures that may arise resulting from the Independent Review.

Opening balance of inventories

We were appointed as auditors of the company on 8 December 2022 and thus did not observe the counting of the physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at 31 December 2021. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the profit for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the cash flow statement.

Impairment of website development costs

As disclosed in Note 13(a) to the financial statements, the cost of the Group's website development costs amounted to $1,678,304 (2021: $1,274,814) as at 31 December 2022. During the financial year, management performed an impairment assessment to determine the recoverable amount of the website development costs. An impairment loss of $403,490 (2021: $1,274,814) was recognised to write down the website development costs to the recoverable amount of $nil in the Group's financial statements.

The recoverable amount of the website development costs is determined based on value-in-use ("VIU") calculation using cash flows projections covering a period of five years. The key assumptions and inputs used in the VIU calculation are disclosed in Note 13 to the financial statements.

Based on the information available to us, we were unable to obtain sufficient appropriate audit evidence with respect to the assumptions used by management in its impairment assessment of website development costs. Accordingly, we were unable to conclude whether the net carrying amount of the website development costs as at 31 December 2022 and 31 December 2021, and the impairment loss recognised for these financial years were fairly stated.

Report on the Audit of the Financial Statements (Cont'd)

Basis for Disclaimer of Opinion (cont'd)

Company level - Loan to a subsidiary and amount due from subsidiaries

As disclosed in Note 17 to the financial statements, the loan to a subsidiary and amount due from subsidiaries as presented in the Company's statement of financial position amounted to $16,953,786 (2021: $23,444,584) and $2,026,676 (2021: $1,510,980) respectively as at 31 December 2022. Included in these amounts are loan to Incredible Trading Limited of $16,953,786 (2021: $23,444,584) and amount due from a subsidiary, Incredible Watch & Jewellery Pte. Ltd. of $827,967 (2021: $312,271). The remaining amount due from subsidiary of $1,198,709 (2021: $1,198,709) relate to HB 2021 ApS. Based on the impairment assessment performed by management, full impairment allowance of $16,953,786 (2021: $23,444,584) and $827,967 (2021: $312,271) have been made against the loan to a subsidiary, Incredible Trading Limited and amount due from subsidiary, Incredible Watch & Jewellery Pte. Ltd. as at year end. Impairment allowances charged to current year's profit and loss in respect of these balances amounted to $515,696 (2021: $11,235,053).

Based on the information available to us, we were unable to obtain sufficient appropriate audit evidence with respect to the assumptions used by management in its impairment assessment of loan to a subsidiary and amount due from subsidiaries. Accordingly, we were unable to conclude whether the net carrying amount of the trade and other receivables of the Company as at 31 December 2022 and 31 December 2021, and the impairment loss recognised for these financial years were fairly stated.

Because of the significance of the uncertainties and potential misstatements arising from the matters described above, we are unable to express an opinion on the accompanying financial statements.

Other Matter

The financial statements for the financial year ended 31 December 2021 were audited by another firm of auditors who expressed a qualified opinion on those financial statements in their report dated 7 June 2022.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I) s"), 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Report on the Audit of the Financial Statements (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards of Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.

Report on other legal and regulatory requirements

In our opinion, in view of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporation 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 Mr. Kenneth Ng Boon Chong.

RT LLP
Public Accountants and
Chartered Accountants

Singapore
29 July 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

	Note	**2022**	2021
		$	$
Revenue	4	**9,825,708**	23,338,595
Cost of sales		**(8,873,432)**	(22,572,466)
Gross profit		**952,276**	766,129
Other operating income	5	**1,744,332**	523,099
Reversal of impairment on amount due from an associated company	30	**–**	26,560
Selling and distribution expenses		**(151,012)**	(115,004)
Administrative expenses		**(4,388,041)**	(4,600,850)
Other operating expenses	7	**(2,052,743)**	(2,885,294)
Finance costs	8	**(337,591)**	(37,207)
Share of results of an associated company	15	**55,279**	–
Loss before tax	9	**(4,177,500)**	(6,322,567)
Tax income	10	**38,106**	–
Loss for the year		**(4,139,394)**	(6,322,567)
Other comprehensive income/(loss):			
Items that are or may be reclassified subsequently to profit or loss			
Currency translation differences on consolidation		**281,802**	(197,264)
Fair value gain from other investment	18	**32,764**	–
Other comprehensive income/(loss) for the year, net of tax		**314,566**	(197,264)
Total comprehensive loss for the year attributable to owners of the Company		**(3,824,828)**	(6,519,831)
Loss per share for the year attributable to owners of the Company			
Basic (cents)	11	**(0.14)**	(0.23)
Diluted (cents)	11	**(0.14)**	(0.23)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

		Group		Company	
		2022	2021	**2022**	2021
	Note	**$**	$	**$**	$
ASSETS					
Non-current assets					
Plant and equipment	12	**130,638**	1,394,056	**20,858**	39,726
Investments in subsidiaries	14	**–**	–	**1,010,215**	10,215
Investments in associated companies	15	**14,613,337**	–	**14,614,154**	817
Other investment	18	**3,152,348**	–	**3,152,348**	**–**
Intangible assets	13	**1,480,019**	–	**–**	–
Deferred tax assets		**37,820**	–	**–**	**–**
Total non-current assets		**19,414,162**	1,394,056	**18,797,575**	50,758
Current assets					
Inventories	16	**514,391**	5,657,280	**–**	–
Trade and other receivables	17	**4,443,221**	6,080,710	**646,717**	570,016
Cash and cash equivalents		**569,330**	815,209	**80,852**	42,924
Total current assets		**5,526,942**	12,553,199	**727,569**	612,940
Total assets		**24,941,104**	13,947,255	**19,525,144**	663,698
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	19	**53,665,223**	53,665,223	**53,665,223**	53,665,223
Foreign currency translation reserve	21	**(433,330)**	(715,132)	**–**	–
Fair value reserve		**32,764**	–	**–**	–
Accumulated losses		**(47,960,288)**	(43,820,894)	**(48,445,587)**	(54,847,741)
Total equity/(deficit)		**5,304,369**	9,129,197	**5,219,636**	(1,182,518)
Non-current liabilities					
Lease liabilities	24	**646,125**	874,143	**–**	–
Loan payables	26	**559,711**	–	**–**	–
Provision	25	**38,790**	38,790	**–**	–
Other payables	27	**10,481,649**	–	**10,481,649**	–
Total non-current liabilities		**11,726,275**	912,933	**10,481,649**	–
Current liabilities					
Trade and other payables	22	**5,936,661**	3,632,634	**3,823,859**	1,846,216
Contract liabilities	23	**–**	53,936	**–**	–
Lease liabilities	24	**227,619**	218,555	**–**	–
Loan payables	26	**1,746,180**	–	**–**	–
Total current liabilities		**7,910,460**	3,905,125	**3,823,859**	1,846,216
Total liabilities		**19,636,735**	4,818,058	**14,305,508**	1,846,216
Total equity and liabilities		**24,941,104**	13,947,255	**19,525,144**	663,698

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Share capital $	Foreign currency translation reserve $	Fair value reserve $	Accumulated losses $	Total equity $
Group					
Balance at 1 January 2022	**53,665,223**	**(715,132)**	**–**	**(43,820,894)**	**9,129,197**
Loss for the year	**–**	**–**	**–**	**(4,139,394)**	**(4,139,394)**
Other comprehensive loss					
Currency translation differences on consolidation	**–**	**281,802**	**–**	**–**	**281,802**
Fair value gain from other investment	**–**	**–**	**32,764**	**–**	**32,764**
Other comprehensive loss for the year, net of tax	**–**	**281,802**	**32,764**	**–**	**314,566**
Total comprehensive gain/(loss) for the year	**–**	**281,802**	**32,764**	**(4,139,394)**	**(3,824,828)**
Balance at 31 December 2022	**53,665,223**	**(433,330)**	**32,764**	**(47,960,288)**	**5,304,369**

	Share capital $	Foreign currency translation reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2021	38,852,217	(517,868)	(37,498,327)	836,022
Loss for the year	–	–	(6,322,567)	(6,322,567)
Other comprehensive loss				
Currency translation differences on consolidation	–	(197,264)	–	(197,264)
Other comprehensive loss for the year, net of tax	–	(197,264)	–	(197,264)
Total comprehensive loss for the year	–	(197,264)	(6,322,567)	(6,519,831)
Issuance of shares (Note 19)	15,084,815	–	–	15,084,815
Cost of shares issuance (Note 19)	(271,809)	–	–	(271,809)
Balance at 31 December 2021	**53,665,223**	**(715,132)**	**(43,820,894)**	**9,129,197**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Share capital $	Accumulated losses $	Total equity/ (deficit) $
Company			
Balance at 1 January 2022	**53,665,223**	**(54,847,741)**	**(1,182,518)**
Profit and total comprehensive profit for the year	**–**	**6,402,154**	**6,402,154**
Balance at 31 December 2022	**53,665,223**	**(48,445,587)**	**5,219,636**
Balance at 1 January 2021	38,852,217	(39,123,181)	(270,964)
Loss and total comprehensive loss for the year	–	(15,724,560)	(15,724,560)
Issuance of shares (Note 19)	15,084,815	–	15,084,815
Cost of shares issuance (Note 19)	(271,809)	–	(271,809)
Balance at 31 December 2021	**53,665,223**	**(54,847,741)**	**(1,182,518)**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Note	Group 2022 $	Group 2021 $
Cash flows from operating activities			
Loss before tax		**(4,177,500)**	(6,322,567)
Adjustments for:			
Depreciation of plant and equipment		**271,499**	153,294
Gain on disposal of plant and equipment		**(100)**	(2,940)
Gain on lease termination		**–**	(895)
Inventories written off		**–**	645
Write down of inventories		**–**	182,815
Reversal of inventory write down		**–**	(90,469)
Reversal of impairment on amount due from an associated company		**–**	(26,560)
Unrealised exchange losses/(gains)		**10,226**	(32,963)
Share of profit of an associated company	15	**(55,279)**	–
Interest expense		**337,591**	37,207
Interest income		**–**	(66)
Impairment losses of plant and equipment	12	**1,140,085**	183,911
Impairment losses of goodwill	13	**–**	1,062,109
Impairment losses of website development costs	13	**405,186**	1,274,814
Impairment losses of prepayments	17	**–**	181,000
Impairment of interest receivables	7	**268,448**	–
Impairment of other receivables	7	**7,560**	–
Dividend income		**(365,072)**	–
Operating cash outflows before movement in working capital		**(2,157,356)**	(3,400,665)
Changes in working capital:			
Inventories		**5,142,889**	(5,224,842)
Trade and other receivables		**3,558,157**	(5,305,354)
Trade and other payables		**(953,127)**	1,432,667
Contract liabilities		**(53,936)**	53,936
Currency translation adjustments		**281,802**	(208,175)
Cash generated/(used) in operations		**5,818,429**	(12,652,433)
Interest expense paid		**–**	(77)
Income tax credit	10	**38,106**	–
Net cash generated/(used) in operating activities		**5,856,535**	(12,652,510)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

For the financial year ended 31 December 2022

	Note	Group 2022 $	Group 2021 $
Cash flows from investing activities			
Purchase of plant and equipment	12	**(148,458)**	(249,997)
Purchase of intangible asset (Note A)		**(405,186)**	(195,000)
Proceeds from disposal of plant and equipment		**100**	11,268
Cash inflow/(outflow) from acquisition of a subsidiary		**3,602**	(452,993)
Prepayment for intangible assets - development of website		**–**	(125,000)
Repayments from an associated company		**–**	1,230,702
Interest income received		**–**	66
Net cash (used in)/generated from investing activities		**(549,942)**	219,046
Cash flows from financing activities			
Advances from a director	22	**5,150,640**	2,163,463
Repayments to a director	22	**(3,688,629)**	(2,170,339)
Interest paid		**(337,591)**	(37,130)
Repayments of lease liabilities	24	**(218,954)**	(144,918)
Loans from shareholders	22	**–**	7,195,983
Issuance of shares (Note B)		**–**	5,673,800
Share issue expenses		**–**	(271,809)
Repayment of loan	26	**(531,879)**	–
Advances from an associate	22	**2,270,369**	–
Repayment of promissory note	27	**(8,195,993)**	–
Net cash (used in)/generated from financing activities		**(5,552,037)**	12,409,050
Net decrease in cash and cash equivalents		**(245,444)**	(24,414)
Cash and cash equivalents at beginning of financial year		**815,209**	839,963
Effect of exchange rate changes on cash and cash equivalents		**(435)**	(340)
Cash and cash equivalents at end of financial year		**569,330**	815,209
Note A: Purchase of intangible asset			
Aggregate cost of intangible asset (Note 13)		**403,490**	326,250
Add: Movement in prepayments at 31 December		**–**	(131,250)
Net cash outflow for cost of intangible assets		**403,490**	195,000
Note B: Issuance of shares			
Issue of new ordinary shares		**–**	15,084,815
Capitalisation of amount due to shareholders		**–**	(9,411,015)
Net cash inflow from issuance of shares		**–**	5,673,800

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

The Company (Co. Reg. No. 199906220H) is incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The address of its registered office and principal of business is Harvest @ Woodlands 280 Woodlands Industrial Park E5 #10-50, Singapore 757322.

Effective from 4 February 2021, the Company's immediate and ultimate holding company is Mission Well Limited, a company incorporated in the British Virgin Islands. Mission Well Limited is wholly owned by the Executive Director of the Company.

The principal activities of the Company are those of provision of management and accounting services to its subsidiaries and including that of investment holding.

The principal activities of the subsidiaries and associated companies are shown in Notes 14 and 15 to the financial statements, respectively.

2 Summary of significant accounting policies

2.1 Basis of preparation

The financial statements are expressed in Singapore dollar ("$"), which is the Company's functional currency. The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The Company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the Company's separate statement of profit or loss and other comprehensive income is not presented.

Use of estimates and judgements

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

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3 to the financial statements.

The carrying amounts of cash and cash equivalents, trade and other receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2 Summary of significant accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

New and revised standards

The accounting policies adopted are consistent with those of the previous financial year except those effective on 1 January 2022, the Group has adopted the following new and revised standards that are relevant to the Group and are mandatory for application for the current financial year:

Description
Amendments to SFRS(I) 16 *Leases Covid-19-Related Rent Concessions beyond 30 June 2021*
Amendments to SFRS(I) 3 *Business Combinations - Reference to the Conceptual Framework*
Amendments to SFRS(I) 1-16 *Property, Plant and Equipment - Proceeds before Intended Use*
Amendments to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract*
Annual Improvements to SFRS(I)s Standards 2018-2020

The adoption of these new and revised standards above did not result in substantial changes to the Group's accounting policies and had no material effect on the disclosures or amounts reported in these financial statements.

New and revised standards but not yet effective

At the date of authorisation of these financial statements, the Group has not adopted the following new and revised standards that have been issued and are relevant to the Group but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I) 1-1 Presentation *of Financial Statements* and SFRS(I) Practice Statement 2 *Disclosure of Accounting Policies*	1 January 2023
Amendments to SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*	1 January 2023
Amendments to SFRS(I) 1-12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to SFRS(I) 1-12: *International Tax Reform—Pillar Two Model Rules*	1 January 2023
Amendments to SFRS(I) 116 *Leases: Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to FRS 1 *Presentation of Financial Statements:* Non-current Liabilities with Covenants	1 January 2024

The directors of the Company do not expect that the adoption of these new and revised standards above will have a material impact on the financial statements in the period of initial application.

2 Summary of significant accounting policies (cont'd)

2.2 Revenue recognition

Sale of goods

Revenue is recognised at a point in time when the Group satisfies a performance obligation by transferring the promised goods to the customer, which is when the customer obtains control of the goods upon delivery. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. No element of financing is deemed present as the sales are made with the credit term of 30 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The Group does not provide right of return or warranty to its customers and hence, there is no refund liability or provision for warranty made. Where there is advance billing to customer, a contract liability is recognised for the advance considerations received.

Interest income

Interest income is recognised using the effective interest method.

Dividend income

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

2.3 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

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

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and plant and equipment, are eliminated in full.

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2 Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation (cont'd)

Any excess of the fair value of the consideration transferred in the business combination, the amount of any 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 fair value of the net identifiable assets acquired is recorded as goodwill. In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amount of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

When a change in the Company's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill, non-controlling interest and other components of equity related to the subsidiary are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I)s.

Any retained equity interest in the previous subsidiary is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date control is lost, and its fair value is recognised in profit or loss.

2.5 Associated companies

An associated company is an entity over which the Group has significant influence but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist generally when the Group holds 20% or more but not exceeding 50% of the voting power of another entity.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

Distributions received from associated companies are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associated company recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately as income in the Group's profit or loss.

2 Summary of significant accounting policies (cont'd)

2.5 Associated companies (cont'd)

Where a group entity transacts with an associate of the Group, unrealised gains are eliminated to the extent of the Group's interest in relevant associate. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred.

In the Company's financial statements, investments in associated companies are carried at cost less accumulated impairment loss. On disposal of investments in associated companies, the differences between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.6 Plant and equipment and depreciation

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value.

The cost of plant and equipment initially recognised includes its purchase price, and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised.

On disposal of a plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Depreciation is calculated on a straight-line basis to write off the cost of all plant and equipment over their expected useful lives. The estimated useful lives are as follows:

	Years
Renovations	5
Computer and office equipment	3 - 5
Plants and machineries	5
Motor vehicles	5 - 10
Furniture and fixtures	3 - 5

Renovation in progress in not depreciated.

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2 Summary of significant accounting policies (cont'd)

2.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired is their fair values as at the date of acquisition. Subsequent to initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Website development cost

Costs directly attributable to the development of website are capitalised as intangible assets only when technical feasibility of the website is demonstrated, the Group has an intention and ability to complete and use the website and the costs can be measured reliably. Such costs include purchases of material and services, payroll related costs of employees directly involved in the development of the website. These costs are amortised using the straight-line method over their estimated useful lives of 5 years.

The Group applies SFRS(I) 1-36 to determine whether a website development costs is impaired and accounts for any identified impairment loss as described in Note 2.8.

Goodwill

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, associated company or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associated company is described in Note 2.5.

2.8 Impairment of non-financial assets, excluding goodwill

At the end of each financial year, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

2 Summary of significant accounting policies (cont'd)

2.8 Impairment of non-financial assets, excluding goodwill (cont'd)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.9 Inventories

Inventories are stated at the lower of cost (on specific identification method for specific inventories) and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs, other direct costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.10 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.

When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease 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.

The lease liabilities are presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever 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.

2 Summary of significant accounting policies (cont'd)

2.10 Leases (cont'd)

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). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Group 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 depreciation starts at the commencement date of the lease.

The estimated useful lives are as follows:

	Years
Office units	1 to 3
Motor vehicle	3 to 5
Shop units	3

The right-of use assets are presented within "Plant and equipment" in the statements of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.8.

As a practical expedient, SFRS(I) 16 *Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has not applied this practical expedient.

2.11 Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the liability method, on all temporary differences at the end of the reporting period arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

2 Summary of significant accounting policies (cont'd)

2.11 Income taxes (cont'd)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

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 currently enacted or substantively enacted tax rates at the end of the reporting period.

2.12 Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets at amortised cost.

The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Subsequent measurement

Debt instruments

Debt instruments include cash and cash equivalents, trade and other receivables (excluding prepayments and deferred expenses). The Group's debt instruments are measured as follows:

Amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

2 Summary of significant accounting policies (cont'd)

2.12 Financial assets (cont'd)

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. 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 impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offset

Financial assets and liabilities are offset and the net amount presented on the statements of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Cash and cash equivalents in the consolidated statement of cash flows

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprises of cash on hand and bank balances with financial institutions which are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.14 Financial liabilities

Financial liabilities include trade and other payables. Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

2.15 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2 Summary of significant accounting policies (cont'd)

2.16 Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

2.17 Borrowing costs

Borrowing costs, which comprise interest and other costs incurred in connection with the borrowing of funds are recognised in the profit or loss using the effective interest method.

2.18 Employee benefits

Defined contribution plans

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain overseas subsidiaries have defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund may or may not be held separately from those of the entity in an independently administered fund. The entity contributes an amount equal to a fixed percentage of the salary of each participating employee.

Employee leave entitlement

Employee entitlements to annual leave and long-service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the end of the reporting period.

Share-based compensation

The Group grants performance bonus shares which is settled by granting ordinary shares of the Company to award directors/employees. The fair value of the director/employee services received in exchange for the grant of the performance bonus shares is recognised as an expense with a corresponding increase in the performance bonus share reserve when the vesting condition is achieved. The total amount to be recognised when the vesting condition is achieved is determined by reference to the fair value of the performance bonus shares granted on the date of grant. At the end of each reporting period, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the performance bonus share reserve. No expense is recognised for performance bonus shares that do not ultimately vest.

When the Company settles the performance bonus shares for the services received by its subsidiaries, there is no re-charge by the Company to the subsidiaries. The amount is recognised as an increase in the Company's investments in subsidiaries as it represented capital contribution to the subsidiaries.

When the performance bonus shares are issued, the related balance previously recognised in the performance bonus share reserve is credited to the share capital account when new ordinary shares of the Company are issued.

2 Summary of significant accounting policies (cont'd)

2.19 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements of the Group and the Company are presented in Singapore dollar, which is the Company's functional currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the foreign currency translation reserve within equity in the consolidated financial statements. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rates at the end of the reporting period;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting exchange differences are recognised in the foreign currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that particular foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

2.20 Dividend

Interim dividends are recorded during the financial year in which they are declared payable.

Final dividends are recorded in the Group's financial statements in the period in which they are approved by the Company's shareholders.

2 Summary of significant accounting policies (cont'd)

2.21 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statements of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

2.22 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

2.23 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

The assets are not depreciated or amortised while they are classified as held for sale.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and;

(a) represents a separate major line of business or geographical area of operations; or

(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

(c) is a subsidiary acquired exclusively with a view to resale

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

3 Critical accounting estimates, assumptions and judgements

Critical judgements in applying the entity's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the subsequent paragraphs).

3.1 Going Concern Assumption

For the financial year ended 31 December 2022, the Group incurred a total loss of $4,139,394 (2021: $6,322,567) and a total comprehensive loss of $3,824,828 (2021: $6,519,831), and net cash generated from operating activities of $5,856,535 (2021: net cash used in operating activities of $12,652,510). The Company generated a total comprehensive profit of $6,402,154 (2021: incurred a total comprehensive loss of $15,724,560).

The Group and the Company reported net assets of $5,304,369 (2021: $9,129,197) and $5,219,636 (2021: $1,182,518) respectively as at the end of the financial year. The outbreak of the COVID-19 pandemic and the measures adopted by the Hong Kong Government to mitigate the spread of the virus have negatively impacted the Group's financial performance during the financial year and also its liquidity position.

Management continues to have a reasonable expectation that the Group has adequate resources to continue its operation for at least the next 12 months from the date of the authorisation of the financial statements and that the going concern basis of preparation of these financial statements remains appropriate after taking into consideration the following factors:

(i) The Group has net current assets of $588,520 after taken into consideration of Letter of Undertaking issued by the associate and director and net asset of $5,304,369 as at 31 December 2022;

(ii) Management will continue to evaluate various strategies to obtain alternative sources of finance; and

(iii) Management will continue to monitor the costs of the Group closely and seek to improve the operating performance and cash flows of the Group. Management has assessed that the Group will have sufficient cash flows to satisfy its working capital requirements for the next 12 months from the date of the financial statements and to enable the Group to meet its obligations as and when they fall due.

Based on the above factors, the financial statements have been prepared on a going concern basis.

3.2 Investment in associates

As disclosed in Note 15 to the financial statements, on 13 April 2018, the Group has entered into a joint venture agreement with its Executive Director, who is also the controlling shareholder of the Company, to respectively hold 49% and 51% stake in Strong System Ltd (the "investee"), a limited liability company incorporated in Hong Kong. The principal activities of the investee are engaging in the trading of watches and investment holding. The Group recorded the investment as an associated company as the Group does not have power over the investee. However, the appointed director who represents the Company in the board of the investee is able to exercise its significant influence in the investee. The Executive Director exercises the voting rights solely for his own interest as he will abstain from all decisions made by the Group in matters relating to the investee. Consequently, this investment has been recorded as an associated company according to SFRS(I) 1-28 Investments in Associates and Joint Ventures.

The Group holds 42% to 49% ownership interest of its investment in associates recognised in the consolidated accounts using the equity method in accordance with the percentage owned. Management has assessed that the holdings have significant influence over the investees. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. As the interests owned provide the Group with significant influence over policy decisions of the investees, the investment is classified as investment in associates.

The carrying amount of the Group's investment in associates is disclosed in Note 15.

3 Critical accounting estimates, assumptions and judgements (cont'd)

3.2 Investment in associates (cont'd)

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, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.3 Impairment of financial assets

Management determines the expected credit losses ("ECL") of trade receivables by applying the simplified approach and using the provision matrix to measure the lifetime ECL for trade receivables. The Group categorises its trade receivables by its past due status and segregates debtors regarded as credit-impaired where one or more credit impairment events have occurred. The ECL rates for each category of debtors are estimated based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

When measuring ECL of other receivables, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions with consideration on the impact of COVID-19 pandemic and how these conditions will affect the Group's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL of other receivables. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on receivables and loans is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of receivables and loans. Details of ECL measurement and carrying values of trade receivables and other receivables at the end of the financial year are disclosed in Notes 30.

3.4 Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. The Group primarily estimates the net realisable value based on the subsequent selling price less selling expenses and provides for obsolete inventories based on related pricing, estimated future demand and inventories expiration date.

In determining the obsolete inventories, the Group considers recent sales activities, ageing analysis and expiration date of the inventories. Factors beyond its control, such as future demand levels, technological advances could change from period to period.

In general, such an evaluation process requires significant judgement and its results may materially affect the carrying value of inventories at the end of the reporting period. Possible changes in these estimates could result in revisions to the carrying value of the inventories. The carrying value of inventories at the end of the financial year is disclosed in Note 16.

3 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty (cont'd)

3.5 Impairment of investments in subsidiaries and associated companies

The Company reviews the investments in subsidiaries and associated companies at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the impairment loss. Fair value less cost to sell calculation is based on observable market prices or market valuations less incremental costs for disposing asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Company's investments in subsidiaries and associated companies as at the end of the financial year are disclosed in Notes 14 and 15, respectively.

3.6 Impairment of non-financial assets

The Group assesses whether there are any indicators for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment where there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

When value in use calculations is undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate, in order to determine the present value of those cash flows. Further details of the key assumptions applied in the impairment assessment and the carrying amount of the website development cost, are given in Note 13 to the financial statements. Details of the impairment assessment and the carrying values of the Group's goodwill at the end of the reporting period are disclosed in Note 13. Any changes in the assumptions made and discount rate applied could affect the impairment assessment.

4 Revenue

The following table provides a disaggregation disclosure of the Group's revenue from continuing operations by primary geographical market, major product lines and timing of revenue recognition.

	Luxury goods	Films and spare parts	Chemical and consumables	Loan Financing	Total
	$	$	$	$	$
2022					
Principal geographical markets					
Asia Pacific, excluding PRC	**217,897**	**251,855**	**152,244**	**–**	**621,996**
People's Republic of China ('PRC')	**6,843,226**	**–**	**–**	**14,592**	**6,857,818**
European	**2,345,894**	**–**	**–**	**–**	**2,345,894**
	9,407,017	**251,855**	**152,244**	**14,592**	**9,825,708**
2021					
Principal geographical markets					
Asia Pacific, excluding PRC	49,973	339,922	208,279	–	598,174
People's Republic of China ('PRC')	22,740,421	–	–	–	22,740,421
	22,790,394	339,922	208,279	–	23,338,595

The Group's revenue is based on point in time except for loan financing where it is based on overtime. The customers are mainly retail consumers, personal loan customers and corporate customers.

5 Other operating income

	Group	
	2022	2021
	$	$
Government grant income (Note A)	**89,623**	56,937
Gain on disposal of plant and equipment	**100**	2,940
Gain on lease termination	**–**	895
Foreign currency exchange adjustment gains, net	**–**	406,814
Interest income	**32,852**	66
Dividend income	**365,072**	–
Rental income (Note 24(b))	**136,456**	42,445
Reversal of bonus (Note B)	**1,000,000**	–
Reversal of former director remuneration	**110,275**	–
Others	**9,954**	13,002
	1,744,332	523,099

Note A:

Within the government grant income is $51,194 (2021: $16,050) that was recognised during the current financial year arising from Jobs Support Scheme in Singapore and Employment Support Scheme of the Anti-epidemic Fund in Hong Kong. The purpose of both government grants is to relief employers of the employee wages and retain employees during the period of economic uncertainty.

Jobs Support Scheme ("JSS")

The Group recognised $51,194 (2021: $16,050) of government grant income under JSS received by the Group's Singapore entities during the financial year. The JSS is a Covid-19 business support measures introduced by the Singapore government.

Employment Support Scheme of the Anti-epidemic Fund

Wage subsidies of $38,429 (2021: $nil) was also recognised during the financial year by the Group's Hong Kong entity under the Employment Support Scheme of the Anti-epidemic Fund as established by the Government of the Hong Kong Special Administrative Region. Under the terms of the grant, the Group's Hong Kong entity is required to undertake not to make redundancies during the subsidy period of and to spend all the funding on paying wages to its employees.

Note B:

The Group had decided to reverse bonus declared to director for $1,000,000 during the year. This were due to the on-going independent review that were conducted during the year and corporate exercises were not allowed until the completion of independent review. Therefore, the remuneration committee had decided and approved the withdrawal of bonus that was declared to the director.

6 Staff costs

	Group	
	2022	2021
	$	$
Staff costs (including directors' remuneration):		
Salaries, bonuses and others	**2,018,692**	2,865,526
Contribution to defined contribution plans	**143,935**	92,874
	2,162,627	2,958,400
Representing staff costs charged to:		
Selling and distribution expenses	**119,655**	88,592
Administrative expenses	**2,042,972**	2,869,808
	2,162,627	2,958,400

7 Other operating expenses

	Group	
	2022	2021
	$	$
Foreign currency exchange adjustment losses, net	**207,939**	–
Write down of inventories	**23,525**	182,815
Inventories written off	**–**	645
Impairment losses of interest receivables	**268,448**	–
Impairment losses of plant and equipment (Note 13)	**1,140,085**	183,911
Impairment losses of website development costs (Note 14(a))	**405,186**	1,274,814
Impairment losses of other receivables	**7,560**	–
Impairment losses of goodwill (Note 14(b))	**–**	1,062,109
Impairment losses of prepayments (Note 18(i))	**–**	181,000
	2,052,743	2,885,294

8 Finance costs

	Group	
	2022	2021
	$	$
Interest expense on:		
- Lease liabilities (Note 24)	**63,673**	37,130
- Loan payables	**273,918**	–
Late payment interest	**–**	77
	337,591	37,207

9 Loss before tax

In addition to the transactions disclosed elsewhere in the notes to the financial statements, the loss before tax is arrived at after charging the following:

		Group	
		2022	2021
	Note	**$**	$
Cost of inventories included in cost of sales		**8,873,432**	22,572,466
Audit fees payable to:			
- Auditor of the Company		**232,760**	103,500
- Other auditors*		**25,738**	27,061
Non-audit fees payable to:			
- Other auditors*		**–**	1,400
Depreciation of plant and equipment	13	**271,499**	153,294
Legal and professional fees		**462,623**	410,089
Lease expenses – short-term leases	24	**494,218**	368,437

* Include independent member firms of the BKR International network for which RT LLP is a member.

10 Tax expense

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the Singapore statutory rate of income tax to loss before tax due to the following factors:

	Group	
	2022	2021
	$	$
Loss before tax	**(4,177,500)**	(6,322,567)
Tax calculated at a tax rate of 17% (2021: 17%)	**(710,175)**	(1,074,837)
Effect of different tax rates in other countries	**2,918**	(24,236)
Effect of results of equity-accounted investees presented net of tax	**(9,397)**	–
Income not subject to tax	**(23,956)**	(84,535)
Expenses not deductible for tax purposes	**308,756**	572,034
Deferred tax asset not recognised	**469,960**	611,574
	38,106	–

10 Tax expense (cont'd)

At the end of the financial year, the Group has unrecognised tax losses of approximately $17,845,000 (2021: $15,081,000), that are available for carry forward to offset against future taxable income of the companies in which the tax losses arose, subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Deferred tax asset of approximately $3,034,000 (2021: $2,517,000) has not been recognised in respect of these tax losses as it is not probable that future taxable profit will be available against when these unrecognised tax losses can be utilised.

Included in expenses not deductible for tax purposes mainly comprise of allowance for impairment loss on intangible asset of $405,186, allowance for impairment loss on plant and equipment of $1,140,000, allowance for impairment loss on interest receivables of $268,448 and allowance for impairment loss on prepayments of $nil (2021: allowance for impairment loss on intangible asset of $2,336,923, allowance for impairment loss on plant and equipment of $183,911, allowance for impairment loss on interest receivables of $nil and allowance for impairment loss on prepayments of $181,000)

The unrecognised tax losses for the Singapore and Hong Kong entities do not expire under current tax legislation.

Temporary differences arising in connection with interests in subsidiaries and associates are insignificant.

11 Loss per share

The calculation of the basic and diluted loss per share attributable to equity holders of the Company is based on the following data:

	Group	
	2022	2021
	$	$
Net loss attributable to equity holders of the Company ($)	**(4,177,500)**	(6,322,567)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share	**2,993,532,545**	2,764,751,652
Basic and diluted loss per share (cents per share)	**(0.14)**	(0.23)

Basic and diluted loss per share amounts is calculated by dividing loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

For the purposes of calculating diluted loss per share, loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive instruments. Basic and diluted loss per share are the same for the financial years 31 December 2022 and 31 December 2021 as the Group incurred a loss for both years. Warrants and bonus element arising from the issuance of rights shares during the year and after year end are anti-dilutive.

12 Plant and equipment

	Renovations	Computer and Office equipment	Plants and machineries	Motor vehicles	Furniture and fittings	Office units	Shop units	Renovation in progress	Total
	$	$	$	$	$	$	$	$	$
Group									
2022									
Cost									
At 1.1.2022	**78,609**	**27,811**	**–**	**157,145**	**149,771**	**90,530**	**1,055,502**	**239,490**	**1,798,858**
Additions	107,908	18,047	–	–	22,503	–	–	–	148,458
Reallocation	239,490	–	–	–	–	–	–	(239,490)	–
Disposals	–	(187)	–	–	–	–	–	–	(187)
Exchange differences	(3,358)	(101)	–	(1,070)	(7,414)	–	–	–	(11,943)
At 31.12.2022	**422,649**	**45,570**	**–**	**156,075**	**164,860**	**90,530**	**1,055,502**	**–**	**1,935,186**
Accumulated depreciation and impairment loss									
At 1.1.2022	**78,609**	**16,173**	**–**	**18,901**	**148,616**	**54,544**	**87,959**	**–**	**404,802**
Depreciation charge	34,739	7,931	–	31,815	3,109	17,988	175,917	–	271,499
Disposals	–	(187)	–	–	–	–	–	–	(187)
Impairment loss	312,659	16,076	–	–	19,724	–	791,626	–	1,140,085
Exchange differences	(3,358)	(18)	–	(861)	(7,414)	–	–	–	(11,651)
At 31.12.2022	**422,649**	**39,975**	**–**	**49,855**	**164,035**	**72,532**	**1,055,502**	**–**	**1,804,548**
Representing:									
Accumulated depreciation	109,990	23,899	–	49,855	21,534	72,532	263,876	–	541,686
Accumulated impairment loss	312,659	16,076	–	–	142,501	–	791,626	–	1,262,862
	422,649	39,975	–	49,855	164,035	72,532	1,055,502	–	1,804,548
Net carrying value									
At 31.12.2022	**–**	**5,595**	**–**	**106,220**	**825**	**17,998**	**–**	**–**	**130,638**

12 Plant and equipment (cont'd)

	Renovations	Computer and Office equipment	Plants and machineries	Motor vehicles	Furniture and fittings	Office units	Shop units	Renovation in progress	Total
	$	$	$	$	$	$	$	$	$
Group									
2021									
Cost									
At 1.1.2021	43,649	54,245	14,400	78,641	34,437	224,833	–	–	450,205
Acquisition of subsidiaries	–	–	–	–	86,832	–	–	–	86,832
Additions	55,656	13,439	–	156,466	35,945	35,986	1,055,502	239,490	1,592,484
Disposals	(20,696)	(39,873)	(14,400)	(77,962)	(7,443)	(170,289)	–	–	(330,663)
At 31.12.2021	**78,609**	**27,811**	**–**	**157,145**	**149,771**	**90,530**	**1,055,502**	**239,490**	**1,798,858**
Accumulated depreciation and impairment loss									
At 1.1.2021	43,649	53,564	14,400	68,926	32,952	123,357	–	–	336,848
Depreciation charge	–	2,491	–	19,589	330	42,925	87,959	–	153,294
Disposals	(20,696)	(39,873)	(14,400)	(69,634)	(7,443)	(111,738)	–	–	(263,784)
Exchange differences	(1,709)	(9)	–	20	(3,769)	–	–	–	(5,467)
Impairment loss	57,365	–	–	–	126,546	–	–	–	183,911
At 31.12.2021	**78,609**	**16,173**	**–**	**18,901**	**148,616**	**54,544**	**87,959**	**–**	**404,802**
Representing:									
Accumulated depreciation	22,953	16,173	–	18,901	25,839	54,544	87,959	–	226,369
Accumulated impairment loss	55,656	–	–	–	122,777	–	–	–	178,433
	78,609	16,173	–	18,901	148,616	54,544	87,959	–	404,802
Net carrying value									
At 31.12.2021	**–**	**11,638**	**–**	**138,244**	**1,155**	**35,986**	**967,543**	**239,490**	**1,394,056**

12 Plant and equipment (cont'd)

	Renovations $	Computer and office equipment $	Furniture and fittings $	Office units $	Total $
Company					
2021					
Cost					
At 1.1.2022 and 31.12.2022	**22,953**	**6,632**	**25,344**	**90,530**	**145,459**
Accumulated depreciation					
At 1.1.2022	**22,953**	**2,892**	**25,344**	**54,544**	**105,733**
Depreciation charge	**–**	**880**	**–**	**17,988**	**18,868**
At 31.12.2022	**22,953**	**3,772**	**25,344**	**72,532**	**124,601**
Net carrying value					
At 31.12.2022	**–**	**2,860**	**–**	**17,998**	**20,858**

	Renovations $	Computer and office equipment $	Furniture and fittings $	Office units $	Total $
Company					
2021					
Cost					
At 1.1.2021	22,953	14,038	28,495	54,544	120,030
Additions	–	4,400	–	35,986	40,386
Disposal	–	(11,806)	(3,151)	–	(14,957)
At 31.12.2021	22,953	6,632	25,344	90,530	145,459
Accumulated depreciation					
At 1.1.2021	22,953	14,038	28,495	36,546	102,032
Depreciation charge	–	660	–	17,998	18,658
Disposal	–	(11,806)	(3,151)	–	(14,957)
At 31.12.2021	22,953	2,892	25,344	54,544	105,733
Net carrying value					
At 31.12.2021	–	3,740	–	35,986	39,726

12 Plant and equipment (cont'd)

(a) Included in plant and equipment of the Group and the Company are right-of-use assets of $124,218 and $17,998 (2021: $1,141,300 and $35,986), respectively (Note 24).

(b) Non-cash transactions

	Group	
	2022	2021
	$	$
Aggregate cost of plant and equipment acquired	**148,458**	1,592,484
Less: Additions to right-of-use assets (Note 24)	**–**	(1,190,196)
Less: Amount included in provision (Note 25)	**–**	(38,790)
Less: Amount included in accruals	**–**	(113,501)
Net cash outflow for purchase of plant and equipment	**148,458**	249,997

(c) Based on management's assessment, an impairment loss of $1,140,085 (2021: $183,911) has been made to the plant and equipment of a subsidiary.

13 Intangible assets

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Website development costs (Note (a))	**–**	–	**–**	–
Goodwill arising on business combination (Note (b))	**1,480,019**	–	**–**	–
	1,480,019	–	**–**	–

(a) **Website development costs**

	Group and Company	
	2022	2021
	$	$
Cost		
Balance at beginning of financial year	**1,274,814**	948,564
Addition	**403,490**	326,250
Balance at end of financial year	**1,678,304**	1,274,814
Accumulated impairment losses		
Balance at beginning of financial year	**1,274,814**	–
Impairment charge	**403,490**	1,274,814
Balance at end of financial year	**1,678,304**	1,274,814
Net carrying value		
Balance at end of financial year	**–**	–

13 Intangible assets (cont'd)

(a) **Website development costs (cont'd)**

In prior years, the Company entered into an agreement with an external vendor to develop a custom design and interactive features of the Group's virtual platform that would generate future economic benefits upon commercialisation (the "website project"), and the directors have approved to invest up to $2 million in this website development project. In current year, a subsidiary entered into an agreement with an external vendor to develop a custom design and interactive features of the Group's virtual platform that would generate future economic benefits upon commercialisation (the "website project"), and the directors have approved to invest up to $1 million in this website development project.

During the current financial year, there were no further developments to the website project of the Company and the management has put the website project on hold due to business strategy reasons. The development to the website project of the subsidiary has been completed in current financial year. Management performed an impairment assessment and determined the recoverable amount of the website development costs based on value-in-use calculation using cash flows projections covering a period of five years. An impairment loss of $403,490 (2021: $1,274,814) was recognised in the Group's and the Company's financial statements to write down the carrying amount to the recoverable amount of $nil (2021: $nil).

Key assumptions used in value-in-use calculation

The key assumptions for the value-in-use calculations are those regarding the number of subscribers, subscription price, expected operational costs and discount rate. The number of subscribers and subscription price are estimated based on management judgement after taking into consideration the number of subscribers and subscription prices set by various competitors of similar nature. Expected operational costs are based on management's assessment of future trends and development in the market. Management estimates discount rate using pre-tax rate that reflect current market assessments of the time value of money and the risks specific to the website development costs.

The pre-tax rate used to discount the projected cash flows from the website development costs is 14.34% (2021: 14.34%).

(b) Goodwill arising on business combination

	Group	
	2022	2021
	$	$
Cost		
Balance at beginning of financial year	**1,062,109**	–
Acquisition of subsidiary (Note 14(i)(a))	**1,480,019**	1,062,109
Balance at end of financial year	**2,542,128**	1,062,109
Accumulated impairment losses		
Balance at beginning of financial year	**1,062,109**	–
Impairment charge	–	1,062,109
Balance at end of financial year	**1,062,109**	1,062,109
Net carrying value		
Balance at end of financial year	**1,480,019**	–

13 Intangible assets (cont'd)

(b) Goodwill arising on business combination (cont'd)

Impairment test for goodwill

Goodwill acquired in a business combination is allocated, to the cash generating units (CGUs) that are expected to benefit from that business combination. Before recognition of impairment losses, the carrying amount of goodwill had been allocated as follows:

	Group	
	2022	2021
	$	$
HB 2021 ApS	–	1,062,109
Billion Credit Financial Company Limited	**1,480,019**	–
	1,480,019	1,062,109

Key assumptions used in value-in-use calculation

The recoverable amount of the CGUs is determined from value-in-use calculations. The key assumptions for the value-in-use calculation are those regarding the discount rates, growth rates, gross profit margin and direct costs during the period. Management estimates discount rate using pre-tax rate that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Gross profit margin and direct costs are based on management's assessment of future trends and developments in the market.

The Group's value-in-use calculations used cash flow forecasts derived from the most recent financial budgets approved by management covering a 5-year period as CGUs is a start-up where the time taken to reach steady state is longer that a more established business. Revenue growth was projected taking into account the estimated sales volume and price growth for the next ten years.

Cash flows beyond the ten-year period were extrapolated using an estimated terminal year growth rate of 2.5% (2021: 2%). This rate does not exceed the average long-term growth rate for the relevant markets.

The pre-tax rate used to discount the forecast cash flows is 16.5% (2021: 16.4%).

As at reporting date, an impairment loss of $nil (2021: $1,062,109) was recognised to write down the goodwill to its recoverable amount of $nil. In addition, based on the cash flow forecasts, management also made an impairment loss of $nil (2021: $183,911) to plant and equipment of HB 2021 ApS (Note 12).

Management believes that the change in the estimated recoverable amount arising from any reasonably possible change to the key assumptions applied would not cause the recoverable amount to be significantly higher than the carrying amount of the goodwill and would not significantly affect the impairment loss recognised during the financial year.

14 Investments in subsidiaries

	Company	
	2022	2021
	$	$
Unquoted equity shares, at cost		
Balance at beginning of financial year	**2,840,278**	2,706,854
Acquisition during financial year	**1,000,000**	133,424
	3,840,278	2,840,278
Less: Allowance for impairment losses	**(2,830,063)**	(2,830,063)
Balance at end of financial year	**1,010,215**	10,215

Movements in allowance for impairment losses during the financial year are as follows:

	Company	
	2022	2021
	$	$
Balance at beginning of financial year	**2,830,063**	2,705,240
Addition	**–**	124,823
Balance at end of financial year	**2,830,063**	2,830,063

Company Level - Impairment review of investment in subsidiaries

In prior year, management performed an impairment test for the investment in Korea Watch Co., Ltd ("KW") as the net asset of this subsidiary is lower than the cost of investment. An impairment loss of $124,823 was recognised for the year ended 31 December 2021 to write down this subsidiary to its recoverable amount of $nil. The recoverable amount of the investment in KW has been determined based on a value in use calculation using cash flow projections from forecasts approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projection and the forecasted growth rate used to extrapolate cash flow projections beyond the five-year period are 9.5% and 2.1% respectively.

14 Investments in subsidiaries (cont'd)

Details of the Company's subsidiaries at 31 December 2022 and 31 December 2021 are as follows:

Name of subsidiary and independent auditors	Principal activities	Country of incorporation	Effective equity holding 2022 %	2021 %
Held by the Company				
Hi-Tech Distribution Pte. Ltd. [(a)]	Distributor of equipment and consumable materials for the electronic industry	Singapore	**100**	100
Incredible Trading Limited [(b)]	Investment holding company and retail and trading of new and used luxury goods	Hong Kong	**100**	100
Incredible Finance Limited [(b)]	Loan financing business	Hong Kong	**100**	100
Incredible Watch & Jewellery Pte. Ltd. [(a)]	Trading of luxury goods	Singapore	**100**	100
Korea Watch Co., Ltd [(d)]	Trading of luxury goods	Korea	**100**	100
Central Capital ApS [(c)]	Investment holding company	Denmark	**100**	100
Billion Credit Financial Company Limited[(b) (i)]	Loan financing business	Hong Kong	**100**	–
Held by Hi-Tech Distribution Pte Ltd				
Chemitec Industrial Pte. Ltd. [(a)]	Distributor of specialty chemical products and consumable materials for the electronic industry	Singapore	**100**	100
Held by Incredible Trading Limited				
Sansim Cosmetics (H.K.) Limited [(d) (iii)] (Dissolved on 7 January 2022)	Dormant	Hong Kong	**–**	100
Held by Central Capital ApS				
HB 2021 ApS [(c)]	Trading of luxury goods	Denmark	**100**	100

(a) Audited by RT LLP
(b) Audited by East Asia Sentinel Limited (Hong Kong)
(c) Audited by RevisionKBH (Denmark)
(d) Not audited, as it is not material and not required to be audited under the relevant laws and regulations of its country of incorporation.

14 Investments in subsidiaries (cont'd)

(i) Acquisition of subsidiaries

Billion Credit Financial Company Limited ("BCFC")

On 4 March 2022, the Group completed the acquisition of entire issued share capital in BCFC from the Executive Director, Christian Kwok-Leun Yau Heilesen at an agreed consideration of HK$5,800,000 (equivalent to approximately S$1,000,000). Following the completion of acquisition, BCFC became a wholly-owned subsidiary of the Company. BCFC is engaged in the loan financing business in Hong Kong.

Included in the identifiable assets and liabilities acquired at the date of acquisition of BCFC are inputs (a head office and customer relationships) and an organized workforce. The Group has determined that together the acquired inputs and processes significantly contribute the ability to create revenue. The Group has concluded that the acquired set is a business.

For the ten months ended 31 December 2022, BCFC contributed revenue of $38,000 and loss of $731,000 to the Group's results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have been $9,826,000 and consolidated loss for the year would have been $4,084,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

(a) The fair value of the identifiable assets and liabilities of BCFC acquired as at the completion date of acquisition were:

	2022 $
Other receivables	**2,611,292**
Cash and bank balance	**3,602**
	2,614,894
Other payables	**3,094,913**
Net identifiable liabilities acquired	**(480,019)**
Goodwill (Note 13(b))	**1,480,019**
Total purchase consideration	**1,000,000**
Effect of the acquisition of the subsidiary on cash flows	
Total purchase consideration	**1,000,000**
Less: Deferred cash consideration (Note b)	**(1,000,000)**
Consideration settled in cash	**–**
Less: Cash and bank balances of the subsidiary acquired	**3,602**
Acquisition of a subsidiary, net of cash acquired	**–**

(b) Deferred cash consideration

The total agreed purchase consideration of HK$5,800,000 ($1,000,000 equivalent) is settled by issuance of a promissory note of HK$5,800,000 (S$1,000,000 equivalent) to the previous owner, who is the Executive Director of the Company, Christian Kwok-Leun Yau Heilesen. The promissory note was issued on 4 March 2022, interest bearing.

(c) Goodwill

The goodwill arising from the acquisition of BCFC of $1,480,019 is included in intangible asset (Note 13(b)) and it is attributable to new business opportunities expected to be provided to the Group.

14 Investments in subsidiaries (cont'd)

(ii) Dissolution of subsidiaries

Sansim Cosmetics (H.K.) Limited ("Sansim")

On 7 January 2022, the Group completed the dissolution of Sansim, a wholly-owned subsidiary of Incredible Trading Limited which is a wholly owned subsidiary of the Company. Sansim has been dormant since 2016. The dissolution of Sansim is voluntary is part of the Group's efforts to rationalize and streamline the Group's corporate structure

15 Investments in associated companies

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Balance at beginning of financial year	**–**	–	**817**	817
Additional	**14,558,058**	–	**14,558,058**	–
Group's share of post-acquisition reserves	**55,279**	–	**55,279**	–
Balance at end of financial year	**14,613,337**	–	**14,614,154**	817

Summarised financial information for Strong System Limited and Golden Ultra Limited based on its financial statements (not adjusted for the Group's share of these amounts) and a reconciliation to the carrying amount of the investment in the consolidated financial statements are as follows:

(i) Strong System Limited Subgroup

	2022	2021
	$	$
Revenue	**172,655**	2,690,289
Loss after tax, representing total comprehensive loss	**(839,026)**	(741,214)
Non-current assets	**426,394**	499,696
Current assets	**60,244**	76,682
Non-current liabilities	**(1,197,321)**	(1,214,007)
Current liabilities	**(1,291,365)**	(528,046)
Net liabilities	**(2,002,048)**	(1,165,675)
Group's share of net liabilities based on proportion of ownership interest	**(981,004)**	(571,181)

The Group has not recognised its share of loss of Strong System Limited totalling $411,122 (2021: $363,195) during the financial year because the Group's cumulative share of losses at the end of reporting date has exceeded its interest in this associated company and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses at the end of the financial year in respect of this associated company not recognised were $983,911 (2021: $572,789).

15 Investments in associated companies (cont'd)

(ii) Golden Ultra Limited Subgroup

	2022 $
Revenue	**72,067,364**
Profit after tax, representing total comprehensive loss	**131,618**
Non-current assets	**16,123**
Current assets	**25,815,504**
Non-current liabilities	**(496,889)**
Current liabilities	**(25,059,786)**
Net assets	**274,952**
Group's share of net assets based on proportion of ownership interest	**115,480**

The following information relates to associated companies of the Group, which in the opinion of the management are material to the Group:

Name of associated company	Principal activities	Country of incorporation	Effective equity holding	
			2022 %	2021 %
Held by the Company				
Strong System Limited [(a)(b)]	Trading of watches and investment holding	Hong Kong	**49**	49
Golden Ultra Limited[(c)(d)]	Investment holding	British Virgin Islands	**42**	–
Held by Strong System Limited				
Empire Top Limited [(d)]	Rental of property	Hong Kong	**49**	49
Held by Golden Ultra Limited				
CKLY Trading Limited [(e)]	Trading of watches	Hong Kong	**42**	–

(a) Audited by M. Y. Chan & Company, Hong Kong
(b) Mr Christian Kwok-Leun Yau Heilesen, the Executive Director of the Company, holds 51% of the equity interest in Strong System Limited. (Also see note 3.1)
(c) Mr Christian Kwok-Leun Yau Heilesen, the Executive Director of the Company, holds 3% of the equity interest in Golden Ultra Limited.
(d) Not required to be audited under the laws of country of incorporation
(e) Audited by East Asia Sentinel Ltd, Hong Kong

16 Inventories

	Group	
	2022	2021
	$	$
Consumables and parts	**105,936**	68,529
Trading inventories	**408,455**	5,588,751
	514,391	5,657,280

On 11 May 2022, HB 2021 ApS entered into a jewellery purchase agreement to sell the specific jewellery included in trading inventories valued at DKK3,336,377 (approximate to $686,980) for a consideration of DKK2,474,965 (equivalent to $509,610). Accordingly, management has written-down the carrying amount of these specific inventories as at 31 December 2021 by DKK861,412 (approximate to $182,815). The write down of inventories of $182,815 was included in other operating expenses (Note 7).

17 Trade and other receivables

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Trade receivables - third parties	**3,504,300**	5,554,035	**20,018**	536,344
Refundable deposits	**155,144**	157,682	**18,410**	18,310
Prepayments (i)	**187,878**	400,207	**187,322**	187,772
Other receivables - third parties	**776,899**	149,786	**601,967**	8,590
Loan to a subsidiary (ii)	**–**	–	**16,953,786**	23,444,584
Amounts due from an associated company (iii)	**473,440**	473,440	**473,440**	473,440
Amounts due from subsidiaries (iii)	**–**	–	**2,026,676**	1,510,980
	1,593,361	1,181,115	**20,261,601**	25,643,676
Less: Loss allowance on loan to a subsidiary (Note 30(b))	**–**	–	**(16,953,786)**	(23,444,584)
Less: Loss allowance on amounts due from an associated company (Note 30(b))	**(473,440)**	(473,440)	**(473,440)**	(473,440)
Less: Loss allowance on amounts due from subsidiaries (Note 30(b))	**–**	–	**(2,026,676)**	(1,510,980)
Less: Impairment loss on prepayments (i)	**(181,000)**	(181,000)	**(181,000)**	(181,000)
	938,921	526,675	**626,699**	33,672
Total	**4,443,221**	6,080,710	**646,717**	570,016

(i) Included in prepayments of the Group and the Company is an amount of $181,000 (2021: $181,000) related to advances made for the website development costs (Note 13). The advance payment of $181,000 has been impaired in prior year.

(ii) Loan to a subsidiary is non-trade in nature, unsecured, bear interest at 3.5% (2021: 3.5%) per annum and repayable within the next twelve months.

(iii) The amounts due from an associated company and subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

18 Other investment

	Group and Company	
	2022	2021
	$'000	$'000
Non-current investments		
Equity investments - at FVOCI	**3,152,348**	–

The Group designated the investments shown below as equity investments as at FVOCI because these equity investments represent investments that the Group intends to hold for the long term for strategic purposes.

	Group and Company	
	2022	2021
Investment in New Genesis Development Limited		
Balance at beginning of financial year		
Additions	**3,119,584**	–
Fair value gain as at year end	**32,764**	–
Balance at end of financial year	**3,152,348**	–

No strategic investments were disposed off during financial year 2022, and there was no transfer of any cumulative gain or loss within equity relating to these investments.

No dividend income was recognised for financial year ended 31 December 2022.

19 Share capital

	Group and Company			
	2022		2021	
	Number of issued shares	**Issued share capital**	Number of issued shares	Issued share capital
		$		$
Balance at beginning of financial year	**2,993,532,545**	**53,665,223**	299,843,943	38,852,217
Issuance of shares	**–**	**–**	2,693,688,602	15,084,815
Cost of shares issuance	**–**	**–**	–	(271,809)
Balance at end of financial year	**2,993,532,545**	**53,665,223**	2,993,532,545	53,665,223

All issued shares are fully paid ordinary shares with no par value.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

20 Performance Bonus Share Reserve

On 6 September 2017, a share incentive scheme known as the Incredible Performance Share Plan ("Incredible PSP") was approved by the shareholders at an Extraordinary General Meeting. Under the Incredible PSP, the eligible person ("Participant") will be awarded fully paid shares of the Company at the absolute discretion of the Remuneration Committee, which shall take into account criteria such as, inter alia, as the rank and responsibilities, performance, years of service, potential for future development of the Participant, contribution to success of the Group and the extent of effort and resourcefulness with which the performance target(s) may be achieved within the performance period. The Incredible PSP shall continue in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date on which the Incredible PSP is adopted.

As at 31 December 2022 and 31 December 2021, no shares were awarded to the participants under the Incredible PSP.

21 Foreign currency translation reserve

	Group	
	2022	2021
	$	$
Balance at beginning of financial year - (debit)	**(715,132)**	(517,868)
Exchange difference on translation of foreign operations	**281,802**	(197,264)
Balance at end of financial year - (debit)	**(433,330)**	(715,132)

The foreign currency translation reserve accumulates all foreign exchange differences arising from the translation of financial statements of entities that are denominated in currencies other than the presentation currency of the consolidated financial statements.

22 Trade and other payables

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Trade payables - third parties	**156,904**	139,956	**–**	–
GST payables	**18,664**	–	**–**	–
	175,568	139,956	**–**	–
Other payables	**2,203,203**	1,068,611	**515,197**	182,437
Accrued operating expenses	**622,058**	584,283	**204,541**	98,842
Accrued remuneration for former directors of the Company	**–**	110,275	**–**	110,275
Accrued remuneration for directors of the Company	**–**	1,092,317	**–**	1,030,000
Amount due to a director (Note A)	**1,030,535**	19,476	**701,669**	–
Amount due to associates	**1,905,297**	–	**1,905,297**	–
Amount due to subsidiaries (Note A)	**–**	–	**497,155**	424,662
Deferred cash consideration	**–**	617,716	**–**	–
	5,761,093	3,492,678	**3,823,859**	1,846,216
	5,936,661	3,632,634	**3,823,859**	1,846,216

Note A:

The amount due to a director and amount due to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

22 Trade and other payables (cont'd)

Reconciliation of movement of liabilities to cash flows arising from financing activities:

	Amount due to shareholders $	Amount due to a director $	Amount due to an associate $	Total $
Group				
Balance at 1 January 2021	2,215,032	26,352	–	2,241,384
Changes from financing cash flows:				
- Proceeds	7,195,983	2,163,463	–	9,359,446
- Repayment	–	(2,170,339)	–	(2,170,339)
Non-cash transaction:				
- Capitalised as share capital	(9,411,015)	–	–	(9,411,015)
Balance at 31 December 2021	–	19,476	–	19,476
Changes from financing cash flows:				
- Proceeds	**–**	**5,150,640**	**2,270,369**	**7,421,009**
- Repayment	**–**	**(3,688,629)**	**–**	**(3,688,629)**
Non-cash transaction:				
-Transfer of debt	**–**	**(433,784)**	**–**	**(433,784)**
-Dividend income	**–**	**–**	**(365,072)**	**(365,072)**
-Unrealised exchange gains	**–**	**(17,168)**	**–**	**(17,168)**
Balance at 31 December 2022	**–**	**1,030,535**	**1,905,297**	**2,935,832**

23 Contract liabilities

Contract liabilities relate to advance considerations received from customers. Contract liabilities are recognised as revenue as or when the Group satisfies the performance obligations under its contracts.

The following table provides information about contract liabilities from contracts with customers.

	Group	
	2022	2021
	$	$
Contract liabilities	**–**	53,936

24 Lease liabilities

(a) ***The Group as a lessee***

Nature of the Group's leasing activities

The Group leases office units from non-related parties. The leases have an average tenure of between 1 to 3 years. For lease with contractual term of 1 year, the Group has accounted for it as short-term lease and has elected not to recognise right-of-use asset and lease liabilities for this lease.

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in Statements of Financial Position

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Carrying amount of right-of-use assets which are classified within plant and equipment				
Office units	**17,998**	35,986	**17,998**	35,986
Motor vehicle	**105,846**	137,771	**–**	–
Shop units	**–**	967,543	**–**	–
	123,844	1,141,300	**17,998**	35,986
Carrying amount of lease liabilities				
Current	**227,619**	218,555	**–**	–
Non-current	**646,125**	874,143	**–**	–
	873,744	1,092,698	**–**	–
Additions to right-of-use assets	**–**	1,190,196	**–**	35,986

24 Lease liabilities (cont'd)

(a) *The Group as a lessee (cont'd)*

Information about leases for which the Group is a lessee is presented below (cont'd):

Amounts recognised in Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Group	
	2022	2021
	$	$
Depreciation charge for the year		
Office units	**17,988**	42,925
Office equipment	**–**	680
Motor vehicle	**31,715**	18,176
Shop units	**175,917**	87,959
Total	**225,620**	149,740
Lease expense not included in the measurement of lease liabilities		
Lease expense - short term leases (Note 9)	**494,218**	368,437
Interest expense on lease liabilities (Note 8)	**59,001**	37,130

Total cash flow for leases amounted to $713,172 (2021: $550,485).

Reconciliation of movements of lease liabilities to cash flows arising from financing activities

	Group	
	2022	2021
	$	$
Balance at 1 January	**1,092,698**	106,866
Changes from financing cash flows:		
- Payments	**(218,954)**	(144,918)
- Interest paid	**(63,673)**	(37,130)
Non-cash changes:		
- Interest expense	**63,673**	37,130
- Additions of new leases	**–**	1,190,196
- Derecognition of lease liabilities due to lease termination	**–**	(59,446)
Balance at 31 December	**873,744**	1,092,698

24 Lease liabilities (cont'd)

(b) *The Group as a lessor*

<u>Nature of the Group's leasing activities - Group as a lessor</u>

Subleases - classified as operating leases

The Group leases shop space under a head lease arrangement and subleases the shop space to related party as an intermediate lessor for monthly lease payment. The sublease has no contractual term and is cancellable by either party by giving three months notice period. The sublease commences on 1 September 2021 at monthly lease payment of DKK50,000 (equivalent to $10,611). Income from subleasing recognised during the financial year was $136,456 (2021: $42,445) and this is disclosed as rental income in Note 5.

25 Provision

The provision for reinstatement costs represents the present value of management's best estimate of the future outflow of economic benefits that will be required to (reinstate leased property to its original state). The estimate has been made on the basis of quotes obtained from external contractors. The unexpired term of the leases range from 3 to 6 years. The unwinding of discount is not significant.

	Group	
	2022	2021
	$	$
Balance at beginning of financial year	**38,790**	–
Provision made	**–**	38,790
Balance at end of financial year	**38,790**	38,790

26 Loan Payables

	Group	
	2022	2021
	$	$
Loan payables – Current	**1,746,180**	–
Loan payables – Non-current	**559,711**	–
Balance at end of financial year	**2,305,891**	–

Loan payables consists of 5 loans with a principal of USD655,134, HKD3,600,000, HK$6,700,000, HK$2,640,000, HK$1,150,000 is repayable over 60 fixed monthly principal repayments. The loan bears interest rate of 12% per annum. These loans are for working capital purposes.

26 Loan Payables (cont'd)

Reconciliation of movements of loan payables to cash flows arising from financing activities:

	Group	
	2022	2021
	$	$
Balance at 1 January	**–**	–
Changes from financing cash flows:		
- Payments	**(531,879)**	–
- Interest paid	**(214,521)**	–
Non-cash changes:		
- Interest expense	**214,521**	–
- Acquisition of new subsidiary	**2,754,116**	–
- The effect of changes in foreign exchange rates	**83,654**	–
Balance at 31 December	**2,305,891**	–

27 Other Payables – Non-current

	Group	
	2022	2021
	$	$
Promissory note	**10,481,649**	–

Promissory note of $1,000,000 was issued during the year as consideration for current year acquisition of subsidiary, associate and other investment. The promissory note is not interest bearing except the promissory note issued for the acquisition of subsidiary shall bear interest from the date on which it is issued at a rate of 8% per annum, payable annually in arrears. The Company has the right to redeem one or more promissory notes at 100% of their principal value at any time after issue, without incurring costs or penalties. This is executed by giving the noteholder a 14 business day written notice. The day falling on the 14th business day after receipt of the redemption notice is the "Elected Redemption Date". All interest accumulated on the notes will be paid on the Elected Redemption Date.

The promissory notes are not redeemable at the option of the Noteholders. If none of the promissory notes have been redeemed within two years from their issuance date, otherwise known as the 'Maturity Date', the Company is obliged to redeem these notes. They will do so at their full principal value, 100%, without imposing any additional costs or penalties. This redemption will occur on the Maturity Date. All interest accrued on the promissory notes shall be paid on the Maturity Date.

As of April 30, 2023, the Noteholders have formally indicated their intention to retain their promissory notes and will not request redemption within the forthcoming 12-month period.

27 Other Payables – Non-current (cont'd)

Reconciliation of movements of other payables to cash flows arising from financing activities:

	Group	
	2022	2021
	$	$
Balance at 1 January	**–**	–
Changes from financing cash flows:		
- Payments	**(8,195,993)**	–
- Interest paid	**(59,397)**	–
Non-cash changes:		
- Interest expense	**59,397**	–
- Acquisition of new subsidiary	**1,000,000**	–
- Acquisition of new associate	**14,558,058**	–
- Acquisition of new other investment	**3,119,584**	–
- The effect of changes in foreign exchange rates	**–**	–
Balance at 31 December	**10,481,649**	–

28 Related party transactions

(a) In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related party, who is not member of the Group during the financial year on terms agreed by the parties concerned:

	Group	
	2022	2021
	$	$
Rental expenses paid to an associated company	**103,487**	102,776
Rental expenses paid to a company whereby the Company is owned by the Executive Director of the Company	**79,199**	41,499
Rental income from a company whereby the Company is owned by the Executive Director of the Company	**89,671**	42,445
Interest expenses paid to a company whereby the Company is owned by the immediate family of the Executive Director of the Company	**38,808**	–
Payments made on behalf by the Executive Director	**–**	2,154,863
Acquisition of subsidiary from the Executive Director (Note 14(ii))	**(480,019)**	8,600
Salaries paid to related parties[1]	**442,019**	405,860

[1] Related parties refer to two employees who were immediate family members of the Executive Director whose remuneration exceeded $100,000.

28 Related party transactions (cont'd)

(b) Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. Compensation of directors and other key management personnel of the Group:

	Group	
	2022	2021
	$	$
Key management personnel compensation:		
Directors of the Company		
- Salaries, bonuses and others	**527,996**	1,615,579
- Contribution to defined contribution plans	**6,336**	9,337
- Directors' fees	**120,000**	123,372
Other key management personnel		
- Salaries, bonuses and others	**188,795**	222,347
- Contribution to defined contribution plans	**9,944**	10,030
	853,071	1,980,665

Total key management personnel compensation is analysed as follows:

	Group	
	2022	2021
	$	$
Salaries, bonuses and others	**716,791**	1,837,926
Contribution to defined contribution plans	**16,280**	19,367
Directors' fees	**120,000**	123,372
	853,071	1,980,665

29 Capital commitments

Capital commitments not provided for in the financial statements:

	Group	
	2022	2021
	$	$
Capital commitments in respect of plant and equipment	**–**	118,476
Capital commitments in respect of intangible asset - development of website	**–**	625,000

30 Financial instruments

(a) Categories of financial instruments

Financial instruments at their carrying amount at the end of the financial year are as follows:

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Financial assets at amortised cost				
Trade and other receivables*	**4,255,343**	5,680,503	**459,395**	382,244
Cash and bank balances	**569,330**	815,209	**80,852**	42,924
	5,005,672	6,547,734	**721,246**	600,505
Financial liabilities at amortised cost				
Trade and other payables*	**5,917,997**	3,632,634	**3,823,859**	1,846,216
Lease liabilities	**873,744**	1,092,698	**–**	–
Loan payables	**2,305,891**	–	**–**	–
Other payables	**10,481,649**	–	**10,481,649**	–
	19,579,281	4,725,332	**14,305,508**	1,846,216

* Financial assets exclude prepayments; Financial liabilities exclude GST payable.

(b) Financial risks management

The Group and Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management strategy is to minimise the effects of these risks by continually monitoring the financial risk management process to ensure that an appropriate balance between risk and control is achieved. The Board of Directors is responsible for setting the objectives and policies implemented to mitigate the risk exposures. The Group has not used any derivatives or other instruments for hedging purposes.

The directors provide written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk. Such written policies are reviewed annually.

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

Foreign exchange risk

Foreign currency risk occurs as a result of the Group's transactions that are not denominated in their respective functional currencies. These transactions arise from the Group's ordinary course of business. The Group transacts business in various currencies and as result, is largely exposed to movements in exchange rates of United States Dollar ("USD"), Hong Kong Dollar ("HKD") and Danish Krone ("DKK").

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Foreign exchange risk (cont'd)

The Group manages its foreign exchange exposure by a policy of matching, as far as possible, receipts and payments in each individual currency. At the end of the financial year, the Group and Company have the following financial assets and financial liabilities denominated in foreign currencies based on information provided to key management:

	Denominated in				
	USD	**HKD**	**SGD**	**DKK**	**Others**
	$	**$**	**$**	**$**	**$**
Group					
2022					
Trade and other receivables	**–**	**1,480,283**	**947,768**	**1,985,131**	**30,039**
Cash and cash equivalents	**336,227**	**95,020**	**102,659**	**–**	**35,424**
Trade and other payables	**–**	**(3,033,836)**	**(2,628,944)**	**(203,752)**	**(70,129)**
Net financial assets / (liabilities) denominated in foreign currencies	**336,227**	**(1,458,533)**	**(1,578,517)**	**1,781,379**	**(4,666)**
2021					
Trade and other receivables	43,667	–	–	–	–
Cash and cash equivalents	523,869	–	–	–	–
Trade and other payables	(10,163)	–	–	–	(21,339)
Net financial assets/ (liabilities) denominated in foreign currencies	**557,373**	–	–	–	**(21,339)**

	Denominated in USD
	$
Company	
2022	
Cash and cash equivalents	**12,520**
Net financial assets denominated in foreign currencies	**12,520**
2021	
Cash and cash equivalents	12,586
Net financial assets denominated in foreign currencies	12,586

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Foreign exchange risk (cont'd)

The following table demonstrates the sensitivity to a reasonably possible change in USD, HKD and DKK exchange rates against the respective functional currencies of the Group's subsidiaries and the Company, with all other variables held constant, of the Group's and the Company's loss before tax:

	Increase/(decrease) in loss before tax	
	2022	2021
	$	$
Group		
USD/SGD		
- Strengthened 10% (2021: 10%)	**(33,623)**	(55,737)
- Weakened 10% (2021: 10%)	**33,623**	55,737
HKD/SGD		
- Strengthened 10% (2021: 10%)	**(145,853)**	–
- Weakened 10% (2021: 10%)	**145,853**	–
DKK/SGD		
- Strengthened 10% (2021: 10%)	**(178,138)**	–
- Weakened 10% (2021: 10%)	**178,138**	–
Company		
USD/SGD		
- Strengthened 10% (2021: 10%)	**(1,252)**	(1,259)
- Weakened 10% (2021: 10%)	**1,252**	1,259

Interest rate risk

The Group's and the Company's exposure to interest rate risk is minimal as the impacts of interest rate fluctuations on the Group's and the Company's interest bearing assets and liabilities are not significant.

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are cash and cash equivalents and trade and other receivables. The Group's and the Company's exposure to credit risk arises primary from trade and other receivables. For trade receivables, the Group adopts the policy of dealing with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. Cash and bank balances are subject to immaterial credit loss as cash are mainly placed at banks with high credit-rating.

It is also the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Customers with high credit risks are required either to pay on cash term, make advance payments or issue letter of credits. The Group trades only with recognised, creditworthy and secured third parties, there is no requirement for collateral. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

The Group's maximum exposure to credit risk is the carrying amount of the assets, or, in the case of off-balance sheet instruments, the exposure of the amount endorsed may be lower due to offsetting collateral and other actions taken to mitigate the Group's exposure. Certain loans to customers are typically collateralized to a substantial extent. In particular, residential mortgage exposures are generally fully secured by residential properties.

To minimise credit risk, the Group and Company has developed and maintained the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The Group considers available reasonable and supportive forward-looking information which includes internal credit rating, external credit rating, actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations, actual or expected significant changes in the operating results of the debtor, significant increases in credit risk on other financial instruments of the same debtor and significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are less than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information such as future economic and industry outlook, that is available without undue cost or effort.

In particular, when assessing whether credit risk has increased significantly since initial recognition, the Group considers the following:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- significant increases in credit risk on other financial instruments of the same debtor;

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group has determined the default events on a financial asset to be when there is evidence that the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held) or the financial asset is more than 365 days past due.

The Group considers the above as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 365 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred, such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Movements in credit loss allowance are as follows:

	Amount due from an associated company	
	2022	2021
	$	$
Group		
Balance at 1 January	**473,440**	500,000
Reversal		
Lifetime ECL		
- Significant increase in credit risk	**–**	(26,560)
	–	(26,560)
Balance at 31 December (Note 17)	**473,440**	473,440

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Estimation techniques and significant assumptions (cont'd)

Movements in credit loss allowance are as follows (cont'd):

	Amount due from an associated company $	Amounts due from subsidiaries $	Loan to subsidiaries $	Total $
Company				
2022				
Balance at 1 January 2022	**473,440**	**1,510,980**	**23,444,584**	**25,429,004**
Additions				
Lifetime ECL				
- Significant increase in credit risk	**–**	**515,696**	**–**	**515,696**
- Credit impaired	**–**	**–**	**(6,490,798)**	**(6,490,798)**
	–	**515,696**	**(6,490,798)**	**(5,975,102)**
Balance at 31 December 2022 (Note 17)	**473,440**	**2,026,676**	**16,953,786**	**19,453,902**
2021				
Balance at 1 January 2021	500,000	–	12,521,802	13,021,802
Additions				
Lifetime ECL				
- Significant increase in credit risk	(26,560)	–	–	(26,560)
- Credit impaired	–	1,510,980	10,922,782	12,433,762
	(26,560)	1,510,980	10,922,782	12,407,202
Balance at 31 December 2021 (Note 17)	473,440	1,510,980	23,444,584	25,429,004

None of the amounts due from subsidiaries or loan to a subsidiary that have been written off is subject to enforcement activities.

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Trade receivables

The Group and the Company have applied the simplified approach to measure the lifetime expected credit loss allowance for trade receivables.

The Group and the Company estimate the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

The Group has recognized 100% loss allowance against trade receivables over 365 days past due because historical experience has indicated that these trade receivables are generally not recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

Credit quality of financial assets

The table below details the credit quality of the Group's and the Company's financial assets:

Group 2022	**12-month or lifetime ECL**	**Gross carrying amount $**	**Loss allowance $**	**Net carrying amount $**
Trade receivables	Lifetime	**3,504,300**	**–**	**3,504,300**
Other receivables	12-month (Exposure limited)	**932,043**	**–**	**932,043**
Due from an associated company (non-trade)	Lifetime	**473,440**	**(473,440)**	**–**
Cash and cash equivalents	Not applicable (Exposure limited)	**569,330**	**–**	**569,330**

Group 2021	12-month or lifetime ECL	Gross carrying amount $	Loss allowance $	Net carrying amount $
Trade receivables	Lifetime	5,554,035	–	5,554,035
Other receivables	12-month (Exposure limited)	307,468	–	307,468
Due from an associated company (non-trade)	Lifetime	473,440	(473,440)	–
Cash and cash equivalents	Not applicable (Exposure limited)	815,209	–	815,209

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Credit risk (cont'd)

Credit quality of financial assets (cont'd)

The table below details the credit quality of the Group's and the Company's financial assets (cont'd):

Company 2022	**12-month or lifetime ECL**	**Gross carrying amount $**	**Loss allowance $**	**Net carrying amount $**
Trade receivables	12-month	**20,018**	**–**	**20,018**
Other receivables	12-month (Exposure limited)	**620,377**	**–**	**620,377**
Due from an associated company (non-trade)	Lifetime	**473,440**	**(473,440)**	**–**
Loan to a subsidiary	Lifetime	**16,953,786**	**(16,953,786)**	**–**
Amounts due from subsidiaries	Lifetime	**2,026,676**	**(2,026,676)**	**–**
Cash and cash equivalents	Not applicable (Exposure limited)	**80,852**	**–**	**80,852**

Company 2021	12-month or lifetime ECL	Gross carrying amount $	Loss allowance $	Net carrying amount $
Trade receivables	12-month	536,344	–	536,344
Other receivables	12-month (Exposure limited)	26,900	–	26,900
Due from an associated company (non-trade)	Lifetime	473,440	(473,440)	–
Loan to a subsidiary	Lifetime	23,444,584	(23,444,584)	–
Amounts due from subsidiaries	Lifetime	1,510,980	(1,510,980)	
Cash and cash equivalents	Not applicable (Exposure limited)	42,924	–	42,924

The credit loss exposure for cash and cash equivalents is immaterial as at 31 December 2022 and 31 December 2021.

30 Financial instruments (cont'd)

(b) Financial risks management (cont'd)

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of the financial assets and liabilities.

The Group and the Company monitor its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows. For the current financial year, the Group has net cash inflow from its operations. Management ensure the Group and the Company have sufficient cash resources on demand to meet expected operational expenses including the servicing of financial obligations.

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

	2022			
	Within 1 year	Within 2 to 5 years	More than 5 years	Total
	$	$	$	$
Group				
Trade and other payables	**5,936,661**	–	–	**5,936,661**
Lease liabilities	**227,619**	**646,125**	–	**873,744**
Company				
Trade and other payables	**3,823,859**	–	–	**3,823,859**

	2021			
	Within 1 year	Within 2 to 5 years	More than 5 years	Total
	$	$	$	$
Group				
Trade and other payables	3,632,634	–	–	3,632,634
Lease liabilities	280,378	995,371	1,852	1,277,601
Company				
Trade and other payables	1,846,216	–	–	1,846,216

31 Fair value of assets and liabilities

The carrying amount of the Group's and Company's financial assets and financial liabilities with a maturity of less than one year, which are primarily trade and other receivables and payables, due from/(to) subsidiaries, loans to subsidiaries, due from an associated company and borrowings is a reasonable approximation of fair value because of their relatively short-term period of maturity.

The fair value of financial liability is approximate to its carrying value as the effect of discounting is immaterial.

The fair value measurements for other investment has been categorised as Level 2 fair values based on the inputs to the valuation techniques used.

31 Fair value of assets and liabilities (cont'd)

Type	Valuation technique	Significant unobservable input	Inter-relationship between key unobservable inputs and fair value measurement
Group and Company Equity investments	*Discounted cash flows:* The valuation model considers the present value of the expected future payments, discounted using a risk adjusted discount rate.	Expected cash flows: $122,424,000. Discount rate: 16.66%	The estimated fair value would increase (decrease) if: - the expected cash flows were higher (lower); or - the risk-adjusted discount rate was lower (higher).

32 Segment information

The Group is organised into business units based on its products and services for management purposes because they require different technology and marketing strategies. The operations in each of the Group's reportable segments are as follows:

Segment 1 : Retail of luxury goods ("Luxury goods")
Segment 2 : Distribution of specialty chemical products, consumable material, films and spare parts for electronic industry ("Distribution")
Segment 3 : Loan financing business ("Loan financing")

Other operations include investment holding companies. None of these segments meet any of the quantitative thresholds for determining reportable segments in 2022 or 2021.

32 Segment information (cont'd)

The segment information provided to management for the reportable segments are as follows:

	Luxury Goods $	Distribution $	Loan financing $	Other $	Elimination $	Total $
2022						
Segment revenue	**9,407,017**	**404,099**	**14,592**	**–**	**–**	**9,825,708**
Segment (loss)/profit	**(3,635,043)**	**(215,917)**	**(730,774)**	**5,206,396**	**(4,764,056)**	**(4,139,394)**
JSS grant income	**–**	**–**	**–**	**51,194**	**–**	**51,194**
Depreciation	**(252,201)**	**(430)**	**–**	**(18,868)**	**–**	**(271,499)**
Impairment losses on amount due from subsidiary	**–**	**–**	**–**	**(515,596)**	**515,596**	**–**
Impairment losses of website development costs	**(405,186)**	**–**	**–**	**–**	**–**	**(405,186)**
Impairment losses of plant and equipment	**(1,140,085)**	**–**	**–**	**–**	**–**	**(1,140,085)**
Segment assets	**2,780,257**	**790,952**	**1,442,324**	**19,469,866**	**457,705**	**24,941,104**
Segment assets includes:						
Investment in associated companies	**–**	**–**	**–**	**14,613,337**	**–**	**14,613,337**
Investment in financial assets	**–**	**–**	**–**	**3,152,348**	**–**	**3,152,348**
Segment liabilities	**20,802,106**	**128,885**	**2,617,836**	**15,520,074**	**(19,432,166)**	**19,636,735**

32 Segment information (cont'd)

The segment information provided to management for the reportable segments are as follows (cont'd):

	Luxury Goods $	Distribution $	Other $	Elimination $	Group $
2021					
Segment revenue	22,790,394	548,201	–	–	23,338,595
Segment (loss)/profit	(1,767,433)	(240,886)	(15,772,877)	11,495,836	(6,285,360)
JSS grant income	–	16,050	–	–	16,050
Depreciation	(107,286)	(27,350)	(18,658)	–	(153,294)
Reversal of inventory write down	–	90,469	–	–	90,469
Inventories written off	–	(645)	–	–	(645)
Write down of inventories	182,815	–	–	–	182,815
Impairment losses on amount due from subsidiary	–	–	(12,433,762)	12,433,762	–
Reversal of impairment losses on amount due from an associated company	–	–	26,560	–	26,560
Impairment losses on investment in subsidiary	–	–	(124,823)	124,823	–
Impairment losses of prepayments	–	–	(181,000)	–	(181,000)
Impairment losses of goodwill	(1,062,109)	–	–	–	(1,062,109)
Impairment losses of website development costs	–	–	(1,274,814)	–	(1,274,814)
Impairment losses of plant and equipment	(183,911)	–	–	–	(183,911)
Segment assets	12,272,861	1,553,114	1,736,731	(1,615,451)	13,947,255
Segment assets includes:					
Investment in associated companies	–	–	817	(817)	–
Additions to non-current assets	1,638,432	499	366,636	–	2,005,567
Segment liabilities	26,831,397	177,975	3,002,053	(25,193,367)	4,818,058

32 Segment information (cont'd)

Segment results (cont'd)

Segment results

Performance of each segment is evaluated based on segment profit or loss which is measured differently from the net profit or loss before tax in the consolidated financial statements. Finance costs are not allocated to segments as Group financing is managed on a group basis.

A reconciliation of segment loss to the consolidated loss before tax is as follows:

	2022	2021
	$	$
Segment loss	**(3,801,803)**	(6,285,360)
Finance costs	**(337,591)**	(37,207)
Loss for the year	**(4,139,394)**	(6,322,567)

Segment assets

The amounts provided to management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments based on the operations of the segments.

Segment liabilities

The amounts provided to management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments.

Geographical information

The Group's business segments operate in two main geographic areas:

- Singapore - The Company is headquartered and has operations in Singapore. The operations in this area include investment holding, provision of administrative and management service, distribution of specialty chemical products and consumable material for the electronic industry and switchgear design and assembly services.

- People's Republic of China ("PRC") - The operations in this area include investment holding and sale of luxury goods in Hong Kong.

- Korea - The operations in this area include sale of luxury goods.

- Denmark - The operations in this area include investment holding and sale of luxury goods.

32 Segment information (cont'd)

Geographical information (cont'd)

	Revenue		Non-current assets	
	2022	2021	**2022**	2021
	$	$	**$**	$
Singapore	**440,792**	583,616	**18,862,120**	1,254,977
PRC	**6,857,819**	22,740,421	**519,615**	137,771
Korea	**181,203**	14,558	**2,735**	1,308
Denmark	**2,345,894**	–	**29,692**	–
	9,825,708	23,338,595	**19,414,162**	1,394,056

Information about major customers

Revenue is derived from two external customers (2021: three external customers) that contributes more than 10% of the Group revenue and are attributable to the segments as detailed below:

		Group	
		2022	2021
		$	$
	Attributable segments		
Customer 1	Luxury Goods Segment	**4,518,983**	15,656,981
Customer 2	Luxury Goods Segment	**2,128,938**	3,333,875
Customer 3	Luxury Goods Segment	**1,376,061**	3,306,206
Customer 4	Distribution Segment	**919,750**	24,919
		8,943,732	22,321,981

33 Capital management

The objective when managing capital are to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The Group and the Company do not have any external borrowings. The debt-to-adjusted capital ratio therefore does not provide a meaningful indicator of the risk of borrowings.

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2022 and 31 December 2021.

34 Subsequent events

On 3 January 2023, the Group ceased operation of a wholly-owned subsidiary, Korea Watch Co. Limited, a company that was incorporated in 2021. As at reporting date, the Group has provided full impairment for the intangible asset of the subsidiary as disclosed in Note 13.

35 Authorization of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 29 July 2023.

STATISTICS OF SHAREHOLDINGS

As at 19 July 2023

Share Capital Information

Issued and paid-up share capital	S$53,937,032.19
Number of Shares	2,993,532,545
Class of shares	Ordinary share
Voting rights	One vote per share
Number of treasury shares and subsidiary holdings held	Nil

Distribution of Shareholdings as at 19 July 2023

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	1,312	43.98	36,077	0.00
100 – 1,000	965	32.35	252,367	0.01
1,001 - 10,000	165	5.53	535,247	0.02
10,001 - 1,000,000	394	13.21	118,166,067	3.95
1,000,001 AND ABOVE	147	4.93	2,874,542,787	96.03
Total	2,983	100.00	2,993,532,545	100.00

List of 20 Largest Shareholders as at 19 July 2023

No.	Name	No. of Shares	%
1	MISSION WELL LIMITED	1,709,659,281	57.11
2	MAYBANK SECURITIES PTE. LTD.	247,142,656	8.26
3	HSBC (SINGAPORE) NOMINEES PTE LTD	60,802,500	2.03
4	KOH KAH BENG (XU JIAMING)	54,531,201	1.82
5	PHILLIP SECURITIES PTE LTD	52,198,745	1.74
6	TAN LYE SENG	39,035,052	1.30
7	RAFFLES NOMINEES(PTE) LIMITED	38,870,578	1.30
8	GOH GUAN SIONG (WU YUANXIANG)	36,011,000	1.20
9	CHONG VOON TECK	35,000,001	1.17
10	SOLIGNY BRUNO LUDOVIC	33,616,937	1.12
11	IFAST FINANCIAL PTE LTD	26,938,646	0.90
12	NG SENG HONG	24,000,000	0.80
13	WONG HAN YEW	19,998,846	0.67
14	LEOW MENG HONG	19,625,693	0.66
15	DBS NOMINEES PTE LTD	14,602,549	0.49
16	OCBC SECURITIES PRIVATE LTD	14,548,230	0.49
17	LEE KWEE YONG	12,800,000	0.43
18	GOH RUI REN	12,445,300	0.42
19	KOH CHOON HAI	12,200,000	0.41
20	TIGER BROKERS (SINGAPORE) PTE. LTD.	11,722,600	0.39
	TOTAL	**2,475,749,815**	**82.70**

STATISTICS OF SHAREHOLDINGS

As at 19 July 2023

Substantial Shareholders as at 19 July 2023

(As shown in the Register of Substantial Shareholders)

Name of Shareholders	Direct Interest	%	Deemed Interest	%
Christian Kwok-Leun Yau Heilesen	–	–	1,770,461,781	59.14
Zhou QiLin	207,854,251	6.94	–	–
Mission Well Limited	1,709,659,281	57.11	–	–

Percentage of Shareholdings in Public Hands

Based on information available to the Company as at 19 July 2023 approximately 33.91% of the issued ordinary shares of the Company is held by the public, and therefore, Rule 723 of the Section B: Rules of Catalist of the SGX-ST Listing Manual is complied with.

Notes:

Christian Kwok-Leun Yau Heilesen ("CKLY") is deemed interested in 1,709,659,281 shares held by Mission Well Limited as he is the sole shareholder and director of Mission Well Limited. Furthermore, he is also deemed to be interested in 60,802,500 shares held by CKLY Family Trust through HSBC (Singapore) Nominees Pte Ltd (which the beneficiaries are family members of CKLY).

DISTRIBUTION OF WARRANT HOLDINGS

As at 19 July 2023

Statistics of Warrant Holdings (W240204) as at 19 July 2023

Exercise Price:	$0.012 (1.2 cents) for each new share on the exercise of a warrant
Exercise Period:	Commencing on 2 February 2021 and expiring at 5:00 p.m. 1 February 2024 pursuant to the Deed Poll
Warrant Agent:	KCK Corpserve Pte Ltd

Distribution of Warrant holdings as at 19 July 2023

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	1	0.37	12	0.00
100 – 1,000	5	1.83	2,399	0.00
1,001 - 10,000	12	4.40	43,621	0.00
10,001 - 1,000,000	141	51.65	47,291,755	1.76
1,000,001 AND ABOVE	114	41.76	2,646,332,940	98.24
Total	114	100.00	2,693,670,727	100.00

List of 20 Largest Warrant holders as at 19 July 2023

No.	Name	No. of Shares	%
1	MISSION WELL LIMITED	1,625,263,325	60.34
2	MAYBANK SECURITIES PTE. LTD.	160,746,605	5.97
3	RAFFLES NOMINEES(PTE) LIMITED	60,930,500	2.26
4	HSBC (SINGAPORE) NOMINEES PTE LTD	55,275,000	2.05
5	UOB KAY HIAN PTE LTD	49,149,900	1.83
6	PHILLIP SECURITIES PTE LTD	42,373,900	1.57
7	TAN LYE SENG	41,599,800	1.54
8	DIANA SNG SIEW KHIM	40,000,000	1.49
9	GOH GUAN SIONG (WU YUANXIANG)	36,010,000	1.34
10	CHONG VOON TECK	35,000,001	1.30
11	SEOW MING LIANG	29,199,202	1.08
12	NG SENG HONG	26,500,000	0.98
13	TEO EE PING	22,000,001	0.82
14	KOH KAH BENG (XU JIAMING)	21,000,001	0.78
15	LEOW MENG HONG	18,000,000	0.67
16	GOH RUI REN	15,000,000	0.56
17	WONG HAN YEW	14,949,901	0.56
18	SOLIGNY BRUNO LUDOVIC	13,000,000	0.48
19	YEO KOK HIONG	11,120,000	0.41
20	WEE SHU MIN CAROLINE (HUANG SHUMIN CAROLINE)	10,024,500	0.37
	TOTAL	**2,327,142,636**	**86.39**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be convened and held at 4 Leng Kee Road, #06-04, SIS building, Singapore 159088 on Tuesday, 15 August 2023 at 3:00 p.m. for the following purposes:-

ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2022 and the Directors' Statement and Auditors' Report thereon. **(Resolution 1)**

2. To approve the Directors' fees of S$120,000 (2021: **S$123,372**) for the financial year ended 31 December 2022. **(Resolution 2)**

3. To re-elect Ms Eunice Veon Koh Pei Lee, a Director who will retire pursuant to Regulation 89 of the Constitution of the Company. **(Resolution 3)**

   Ms Eunice Veon Koh Pei Lee will upon re-election as Director of the Company remain as member of the Remuneration and Nominating Committees. Detailed information of Ms Eunice Veon Koh Pei Lee can be found under the sections, "Directors' Profile" in the Annual Report and "Key Information of Directors" in the Corporate Governance Statement contained in the Annual Report.

4. To re-elect Ms Zhou Jia Lin, a Director who will retire pursuant to Regulation 89 of the Constitution of the Company. **(Resolution 4)**

   Ms Zhou Jia Lin will upon re-election as Director of the Company, remain as member of the Audit, Remuneration and Nominating Committees. Detailed information of Ms Zhou Jia Lin can be found under the sections, "Directors' Profile" in the Annual Report and "Key Information of Directors" in the Corporate Governance Statement contained in the Annual Report. Ms Zhou is considered not independent for the purposes of Rule 704(7) of the Catalist Rules of SGX-ST.

5. To re-appoint RT LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

SPECIAL BUSINESS

To consider and if thought fit, pass the following ordinary resolutions, with or without modifications:-

6. Authority to issue shares

   (a) "That pursuant to Section 161 of the Companies Act, and the rules under Section B: Rules of Catalist of the SGX-ST Listing Manual (the "Rules of Catalist"), approval be and is hereby given to the Directors of the Company, to:

      (i) issue shares in the capital of the Company (the "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) 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 in their absolute discretion deem fit; and

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

(i) the aggregate number of shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 100% of the total number of issued Shares excluding treasury shares and subsidiary holdings, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings, and for the purpose of determining the aggregate number of Shares and Instruments that may be issued under this resolution, the percentage of the total number of issued Shares excluding treasury shares and subsidiary holdings shall be based on the Company's total number of issued Shares excluding treasury shares and subsidiary holdings at the time this resolution is passed, after adjusting for:

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

(b) new Shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist of the SGX-ST; and

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

and adjustments in accordance with (a) or (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 this resolution; and

(ii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Rules of Catalist of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST or the Sponsor) and the Constitution for the time being of the Company; and

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

(Resolution 6)
(See Explanatory Note 1)

7. Authority to grant awards and issue shares under the Incredible Holdings Performance Share Plan (formerly known as Vashion Performance Share Plan)

"That pursuant to Section 161 of the Companies Act, approval be and is hereby given to the Directors to grant awards in accordance with the provisions of the Incredible Holdings Performance Share Plan ("Incredible Holdings PSP") (formerly known as Vashion Performance Share Plan) and to allot and issue and /or transfer from time to time such number of fully paid-up shares as may be required to be issued and/or transferred pursuant to the vesting of awards under the Incredible Holdings PSP, provided that:

(i) the aggregate number of new shares to be issued and/or existing shares to be transferred pursuant to the vesting of awards granted or to be granted under the Incredible Holdings PSP and all other share based schemes of the Company shall not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) on the day preceding that date; and

(ii) to apply any share purchased or acquired under any share purchase mandate and to deliver such existing shares (including any treasury shares) towards the satisfaction of awards granted under the Incredible Holdings PSP."

(Resolution 7)
(See Explanatory Note 2)

ANY OTHER BUSINESS

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

BY ORDER OF THE BOARD

Executive Director
Christian Kwok-Leun Yau Heilesen
28 July 2023

Explanatory Notes on Special Business:

1. The Ordinary Resolution 6 proposed in item 6 above, if passed, will empower Directors of the Company from the date of the above Meeting until the next Annual General Meeting ("**AGM**") to issue Shares and convertible securities in the Company up to an amount not exceeding in aggregate 100 per cent of the total number of the Company's issued Shares excluding treasury shares and subsidiary holdings, of which the total number of Shares and convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed 50 percent of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. Rule 806(2) of the Rules of Catalist currently provides that the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company for this purpose shall be the total number of issued Shares excluding treasury shares and subsidiary holdings at the time this resolution is passed (after adjusting for new Shares arising from the conversion of convertible securities or share options on issue at the time this resolution is passed and any subsequent bonus issue, consolidation or subdivision of the Company's Shares). This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

2. The Ordinary Resolution 7 proposed in item 7 above, if passed, will empower the directors to offer and grant awards pursuant to the Incredible Holdings PSP and to issue shares or transfer existing shares of the Company pursuant to the vesting of awards granted under the Incredible Holdings PSP provided that: the aggregate number of new shares to be issued and/or existing shares to be transferred shall not exceed 15% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) on the date preceding the relevant date of award. The Incredible Holdings PSP was approved by shareholders at the extraordinary general meeting held on 6 September 2017.

Notes:

1. Printed copies of the Notice of AGM, Proxy Form and the Request Form for a printed copy of the Annual Report will be despatched to the members of the Company. **The Annual Report will not be despatched to the members of the Company.** All documents (the Annual Report, the Proxy Form, and this Notice of Annual General Meeting ("**AGM**")) have been, or will be, published on SGXNet and the Company's website, https://www.incredible.sg. They can be downloaded from SGXNet.

Submission of proxies

2. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.

3. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

4. A proxy need not be a member of the Company.

5. The proxy form appointing a proxy / proxies, duly completed and signed, must be submitted by:

   (i) mail to or lodged with the Company's Share Registrar, KCK CorpServe Pte. Ltd. at 1 Raffles Place #04-63 One Raffles Place Tower 2 Singapore 048616; or

   (ii) email to ihl-agm@kckcs.com.sg (a clear scanned signed form in PDF)

   not later than 3:00 p.m. on 12 August 2023, being 72 hours before the time fixed for the AGM.

6. The proxy form appointing a proxy / proxies must be signed by the appointor or his attorney duly authorised in writing. Where the proxy form appointing a proxy / proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

7. In the case of members whose shares are entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), the Company may reject the proxy form submitted if such members' names do not appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the AGM.

8. CPF/SRS Investors who have used their CPF/SRS monies to buy the Company's share should not make use of the Proxy Form and should instead approach their respective CPF Agent Banks/SRS operators as soon as possible if they wish to attend the AGM in person or if they wish to appoint the Chairman of the AGM to vote on their behalf at least seven working days before the AGM, in order to allow sufficient time for their respective CPF Agent Bank/SRS Operator to in turn submit the Proxy Forms no later than the deadline as specified in Note 5 above.

Submission of questions

9. Members, CPF Investors and SRS Investors may submit substantial and relevant questions related to the resolutions to be tabled at the AGM ahead of the AGM by email to ihl-agm@kckcs.com.sg by 5 August 2023.

10. The Company will endeavour to address all substantial and relevant questions if received by the prescribed deadline above and post the answers on SGXNet and the Company's website by 10 August 2023. For substantial and relevant questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the AGM. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

Minutes of Annual General Meeting

11. The minutes of the AGM together with the responses to the substantial and relevant question(s) by the shareholders not already answered and announced, will be posted on the SGXNet and the Company's website within one month after the date of the AGM.

Personal data privacy:

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

This notice has been reviewed by the Company's sponsor, Hong Leong Finance Limited.

It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this notice including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Ms Vera Leong, Vice President, Hong Leong Finance Limited
Address: 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581
Telephone number: +65 6415 9881

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INCREDIBLE HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
Registration No. 199906220H

PROXY FORM

ANNUAL GENERAL MEETING

IMPORTANT

1. This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. A CPF or SRS investor may attend and cast his/her votes at the Annual General Meeting ("**AGM**") in person if appointed as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the AGM but would like to vote may inform their respective CPF and SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

PERSONAL DATA PRIVACY

By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 28 July 2023.

I/We ____ (Name)

of ____ (Address)

being a member/members of **Incredible Holdings Ltd**. (the "**Company**"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings to be represented by proxy	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings to be represented by proxy	
			No. of Shares	%

as my/our proxy/proxies, to vote for me/us on my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be held at 4 Leng Kee Road, #06-04, SIS building, Singapore 159088 on 15 August 2023 at 3:00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the AGM in the spaces provided hereunder.

Please indicate your vote "For" or "Against" or "Abstain" with a tick [✓] or cross (x) within the box provided.

No.	Ordinary Resolutions	No. of Votes or indicate with a cross (x) or tick (√)		
		For	Against	Abstain
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2022 and the Directors' Statement and Auditors' Report thereon			
2.	To approve the Directors' fee of S$120,000 for the financial year ended 31 December 2022			
3.	To re-elect Ms Eunice Veon Koh Pei Lee, a Director of the Company pursuant to Regulation 89 of the Constitution			
4.	To re-elect Ms Zhou Jia Lin, a Director of the Company pursuant to Regulation 89 of the Constitution			
5.	To re-appoint RT LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
6.	To authorize Directors to issue shares pursuant to Section 161 of the Companies Act 1967 and Listing Rules of Catalist of the Singapore Exchange Securities Trading Limited			
7.	To authorise Directors to grant awards and issue shares under the Incredible Holdings Performance Share Plan			

** All resolutions would be put to vote by poll in accordance with the Listing Rules of Catalist of the Singapore Exchange Securities Trading Limited.
Please tick "✓" or cross (x) or indicate the number of votes within the box provided. A tick or cross would represent you are exercising all your votes "For" or "Against" or "Abstain" from voting on the relevant resolution.

Dated this __________ day of ______________2023

Total Number of Shares Held

____

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THE PROXY FORM

Notes:

1. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.

2. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

3. A proxy need not be a member of the Company.

4. The proxy form appointing a proxy/proxies, duly completed and signed, must be submitted by:

   (i) mail to or lodged with the Company's Share Registrar, KCK CorpServe Pte. Ltd. at 1 Raffles Place #04-63 One Raffles Place Tower 2 Singapore 048616; or

   (ii) email to ihl-agm@kckcs.com.sg (a clear scanned signed form in PDF)

   not later than 3:00 p.m. on 12 August 2023, being 72 hours before the time fixed for the AGM.

5. The proxy form appointing a proxy/proxies must be signed by the appointor or his attorney duly authorised in writing. Where the proxy form appointing a proxy/proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

6. In the case of members whose shares are entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), the Company may reject the proxy form submitted if such members' names do not appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the AGM.

7. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her votes at the AGM in person if appointed as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their respective CPF and SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.

8. Completion and return of this proxy form appointing a proxy/proxies shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy/proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the proxy form to the AGM.

9. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with its Constitution and Section 179 of the Companies Act.

10. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number of shares is inserted, this proxy form will be deemed to relate to all the shares held by the member.

11. Personal data privacy: By submitting this proxy form of proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

INCREDIBLE HOLDINGS LTD.

(Company Registration Number 199906220H)

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