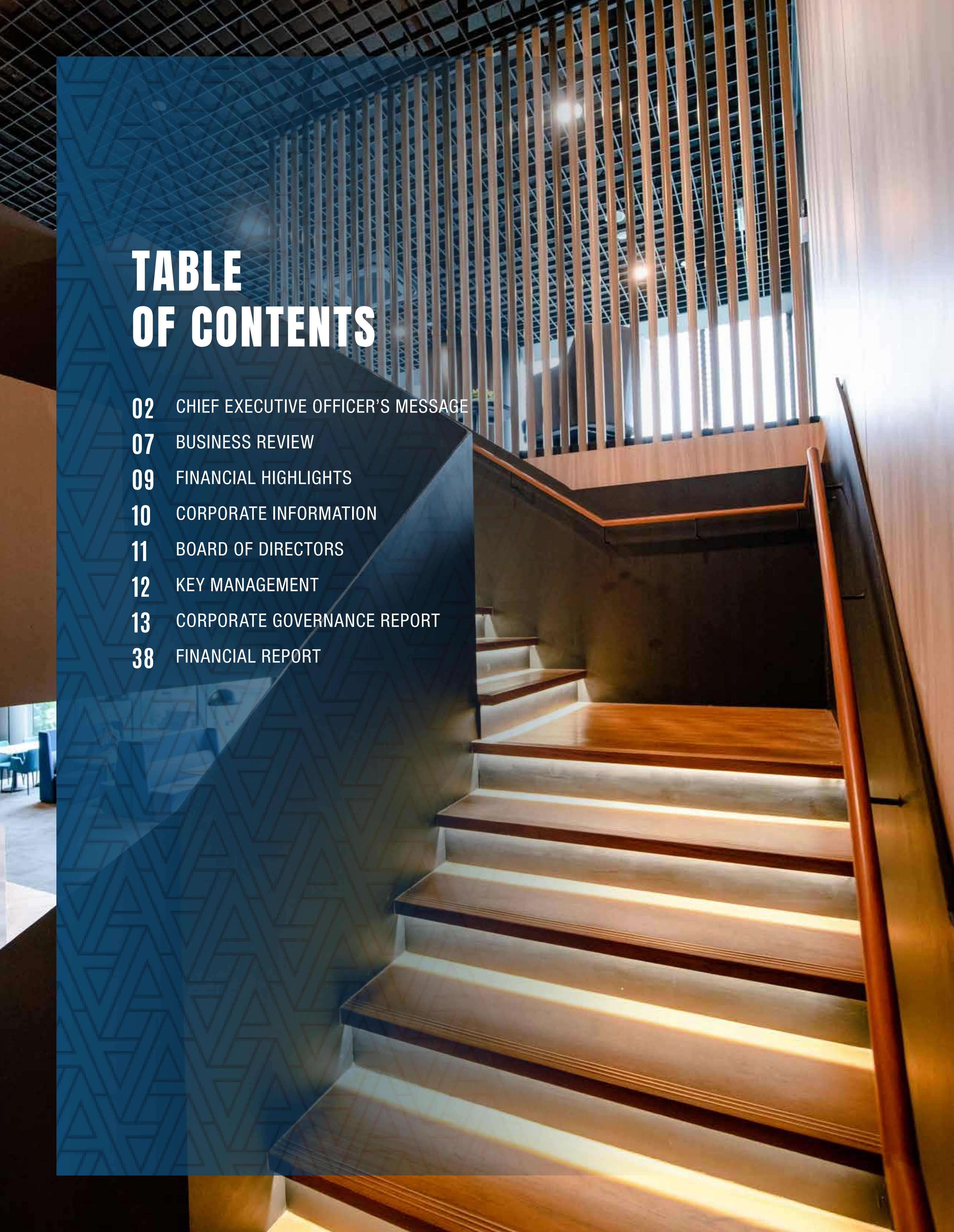
Aspial

ANNUAL REPORT 2023



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Aspial One Interior

CHIEF EXECUTIVE OFFICER'S
MESSAGE

DEAR SHAREHOLDERS,

I am pleased to present to you Aspial Corporation Limited's ("**Aspial Corporation**") annual report for the financial year ended 31 December 2023 ("**FY2023**").

As countries navigated towards endemic living, FY2023 witnessed a gradual resurgence in global economy and consumer sentiment since the outbreak of COVID-19, with notable discrepancies in the pace of economic recovery amongst countries, alongside the emergence of new growth drivers. Despite a positive start, global activity waned towards the end of the year, with global economic recovery and growth remaining sluggish and uneven, compounded by persistent geopolitical conflicts.

Notwithstanding challenges such as rising costs and ongoing geopolitical tensions that create uncertainties in the global economy, barring unforeseen circumstances, we expect to turn in an improved financial performance in the coming financial year. As global core inflation rates gradually ease, global policy interest rate cuts are anticipated to trickle in the latter half of 2024. The transition towards a lower interest rate environment would be beneficial to the Group's overall operations across all three core business segments through lower financing costs. Nevertheless, the Group is keenly aware of the potential downsides and risks in the global economy and is careful to remain nimble in our operations.

On the business front, we fared better in our corporate performance in the second half of FY2023 ("**2H 2023**"), mainly due to higher revenue and increased gross profit during these six months.

The pick up in sales of our Australia 108 development, together with the proceeds from the disposal of our property at Margaret Street in Brisbane and a site in Georgetown, Penang boosted our net sales proceeds.

During the financial year, we managed to successfully launch two exchanges of our bonds - one being the exchange of S$132.75 million Medium-Term Notes ("**MTNs**") into Perpetual Securities and the other, into a two-year MTNs. The Group's focused execution of key treasury initiatives in FY2023, including the exchange of MTNs for Perpetual Securities and the timely repayment of the MTNs in January 2024, together with the effective divestment of property assets has collectively yielded a significant improvement in the Group's debt-to-equity ratio.

We endeavour to actively pursue new business opportunities through strategic acquisitions and divestments to tap on synergies and optimisation of resources to enhance the effectiveness and efficiency of our existing operations, create value and facilitate capital recycling to enhance yields within our portfolio of business and assets.

In view of the economic uncertainties, the Board has not declared dividends for FY2023 with the intention to retain cash for our working capital, reduce our borrowings and fund any potential growth opportunities.

Cloud Residences, Australia 108

Niessing Setario collection

New Exclusive ITALGOLD Collection by Lee Hwa Jewellery

Destinée Collection by Lee Hwa Jewellery

Niessing Spannring® Era Pendant

Goldheart 916 Gold Occasion Set

Stellar living at Australia 108

CHIEF EXECUTIVE OFFICER'S MESSAGE

RETAIL BUSINESS

The Group's jewellery business that consists of several jewellery brands, including the internationally renowned German jewellery house, Niessing. The other brands are now housed under and managed by Aspial Lifestyle Limited ("**Aspial Lifestyle**") following the completion of the sale and purchase acquisition in the last financial year. Moving forward, Aspial Lifestyle's performance of its jewellery business is consolidated under the Group and will continue to contribute to our results. In addition to the retail of jewellery, Aspial Lifestyle also engages in the retail and trading of pre-loved jewellery, timepieces and branded bags.

The synergies and optimisation of resources in the back end contributed to the business performance in the financial period under review. In the coming year, the retail and trading of jewellery and branded merchandise business is expected to continue its momentum as we continue to refine back-end operations and achieve greater harmony between the business units. We will also work on building greater reach and presence in the market while identifying suitable avenues for continued expansion.

FINANCIAL SERVICE BUSINESS

Our Financial Service Business provides pawnbroking services and secured loan services.

Higher interest income from its growing pledge book both in Singapore and Malaysia and the newly-acquired subsidiary in Malaysia Maxion Holdings Sdn. Bhd. ("**Maxion**") have contributed positively to this business segment. We are optimistic as the segment continues to experience healthy growth, fuelled by heightened economic activities which spur demand for short-term loans. Across the border, we are also cautiously optimistic on the positive contribution of our Malaysia pawnbroking operations to the Group's financial performance in FY2024.

REAL ESTATE BUSINESS

The Group manages property projects and hotels under its Real Estate Business.

Most of the revenue contribution for our Real Estate Business in FY2023 continues to be from our Australia 108 development, with additional contracted sales in early 2024 that will contribute further to our net sales proceeds in FY2024.

In Malaysia, we opened two "Citadines Connect" hotels in Lebuh Noordin, Penang, in December 2022 and 2023 and expect to complete the construction of 2 additional new hotels at Lebuh Cecil and Lorong Bertam, with a total of 134 keys which will also be operated under the "Citadines Connect" brand. This will bring the total keys operated under the "Citadines Connect" brand to 278 keys by the end of 2024. The Group expects its Real Estate Business performance (excluding forex and revaluation gain/loss) to improve in FY2024 driven by improved margins from the sales of higher-level premium apartments, higher revenue for its hotel business, reduced holding costs and lower interest expenses.

Citadines Connect
Georgetown Penang

Goldheart 916 Rose Gold Occasion Set

Citadines Connect Georgetown Penang

Goldheart 999 Gu Fa Jin

Niessing Spannring® Era

Maxi-Cash Joy of Giving featuring Hailey K

CHIEF EXECUTIVE OFFICER'S MESSAGE

OTHER INVESTMENTS

The Group's other investments are mainly held by our associate, AF Global Limited, which operates hotels, resorts, and serviced residences in Thailand, Vietnam, and Laos. also offers real estate consultancy and agency business through Knight Frank Pte. Ltd.. Additionally, our investment in a bullion business had also contributed positively to the Group's results in the second half of the financial year.

Our hospitality assets demonstrated notable resilience in 2023, with key performance indicators including room rates, occupancy and profitability all exceeding expectations. The recent visa -free arrangements for Chinese nationals are expected to further rejuvenate Chinese travel to Thailand. Additionally, the Group is witnessing an influx of tourist from varied geographical regions.

On 10 January 2024, AF Global Limited announced the signing of a Sale & Purchase Agreement for the sale of its site in Rawai, Phuket for a consideration of TBH1.6 billion or approximately S$60 million, marking a significant step in the Group's portfolio optimisation strategy. We will provide updates on any significant developments regarding this transaction.

IN APPRECIATION

On behalf of the Board, I would like to extend my appreciation to our management and staff for their commitment and dedication towards the Group during these challenging times.

I would also like to thank our Board of Directors for their guidance and leadership in navigating the uncertain landscape with the Group. I would like to take this opportunity to extend my appreciation to Mr Wong Soon Yum, who in accordance with Rule 210(5)(d)(iii) of the Listing Manual that imposes a 9-year limit on the tenure of an Independent Director, shall cease his title and role as such at the conclusion of the forthcoming Annual General Meeting, for his invaluable contribution and dedication during his tenure of service. I also wish to give a warm welcome to Ms Goh Bee Leong who joins us as an Independent Director. Last but not least, I would like to thank our business partners, customers, and shareholders for their steadfast support and faith in us, and for standing by us throughout this time of uncertainty.

We have endured through the pandemic and are heading out of the woods to emerge stronger together. I look forward to achieving new heights and delivering greater value for our stakeholders as we continue on our journey of building more successes in the years ahead.

KOH WEE SENG
Chief Executive Officer

Citadines Connect Georgetown Penang

Citadines Connect Georgetown Penang

BUSINESS REVIEW

OVERVIEW

In FY2023, global economic recovery and growth remained slow and uneven, hindered by ongoing geopolitical tensions, amid rising cost-of-living and interest rate hikes amongst other factors. Nevertheless, the silver lining of border re-openings and endemic living brought about a gradual resurgence in global economy and consumer sentiment. And the Group made progress in all our business segments.

In terms of performance, results for the second half of the financial period ("**2H 2023**") fared better compared to the first half ("**1H 2023**") drawing from higher revenue and increased gross profit during the second half of FY2023.

In FY2023, the Group recorded a revenue of S$600.0 million, posting a healthy growth of 18.5% or S$93.8 million compared to FY2022. The increase in revenue was led by the Real Estate Business and mainly attributable to the sales of 240 Margaret Street, Brisbane in 2H2023 and a development site in Penang, Malaysia in 1H 2023.

For 2H 2023, Group revenue of S$316.8 million was an increase of 24.6%, or S$62.6 million over the corresponding period in the previous year, resulting from higher revenue obtained across all three core businesses.

The Group reported a pre-tax loss of S$18.5 million for FY2023 as compared to a pre-tax loss of S$3.5 million in FY2022. The higher pre-tax losses were predominantly attributable to losses from the Real Estate Business.

In 2H2023, the Group registered a pre-tax loss of S$5.0 million compared to that of S$13.5 million in 1H 2023. The reduction was achieved partly due to an increase in revenue and higher gross profit margin recorded by the Real Estate Business. Additionally, the utilisation of proceeds from the sale of the Margaret Street site and apartments in the Australia 108 development to repay loans contributed to a reduction in finance costs for the period. These sales also contributed to a reduction in operating costs in 2H 2023, which in turn led to the lower pre-tax loss during the same period.

Excluding the foreign exchange loss and one-off costs in relation to, amongst others, loss from the bulk sales of apartment units and the under-provision of past years' land taxes in Australia. FY2023 loss before tax would have been reduced from S$18.5 million to S$3.8 million and the 2H 2023 loss of S$5.0 million would have been turned into a profit of S$0.6 million.

RETAIL BUSINESS

The Retail Business revenue of S$441.2 million in FY2023 increased by 12.8% or S$49.9 million year on year. The increase was predominantly attributable to the retail and trading of jewellery business in Singapore, following the successful consolidation of our Singapore retail business under Aspial Lifestyle.

On the back of reallocation of internal costs amongst the Group's business segments, higher finance costs, employee benefits and rental expenses, pre-tax profit dipped to S$17.8 million for FY2023 compared to S$31.3 million for FY2022.

FINANCIAL SERVICE BUSINESS

Revenue for our Financial Service Business was S$64.1 million in FY2023, an increase of 19.6% or S$10.5 million year on year. The increase in revenue was driven by higher interest income and sales of unredeemed pledges in line with the growing pledge book both in Singapore and Malaysia.

Pre-tax profit of S$13.1 million from the Financial Service Business increased significantly by 40.9% or S$3.8 million year on year. The higher pre-tax profit was primarily attributable to additional income from administration fee and higher interest income from the growing pledge book in Singapore and Malaysia.

REAL ESTATE BUSINESS

The Group's Real Estate Business reported a revenue of S$94.7 million, representing an increase of 54.5% or S$33.4 million year on year. This was mainly attributable to the sales of 240 Margaret Street, Brisbane in 2H2023 and a development site in Penang, Malaysia in 1H 2023.

Pre-tax losses for the Real Estate Business increased to S$48.4 million in FY2023 from S$34.3 million in FY2022. This was attributable to several factors, including a reduction in gross profit, loss incurred on a bulk sale of majority of tenanted apartments in the Australia 108 development, higher selling costs, higher finance costs and an under-provision of past years' land taxes in Australia. Despite reducing the Group's real estate loans, the elevated interest rate resulted in higher finance costs.

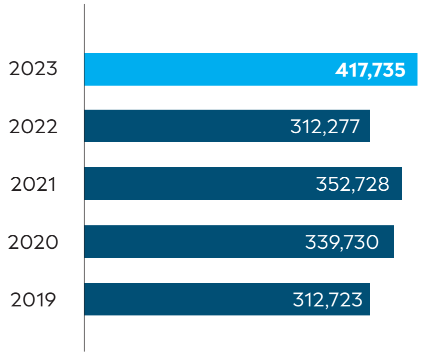
OTHER INVESTMENTS

As the world moves to endemic living, the global tourism industry is experiencing a resurgence and a significant uptick in tourism arrivals that inch closer to pre-pandemic levels. The Group is also witnessing an influx of tourist from varied geographical regions. The share of results of S$5.1 million from associates and a joint venture in FY2023 increased by S$4.0 million, mainly attributable to higher profit contributions from both the bullion and hospitality businesses.

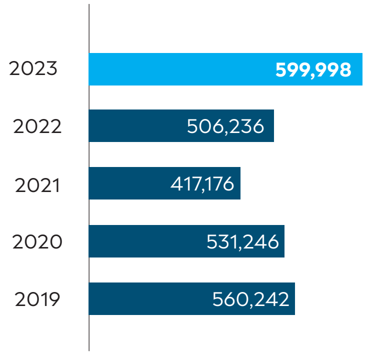
Goldheart 999 Gold Occasion Set

FINANCIAL
HIGHLIGHTS

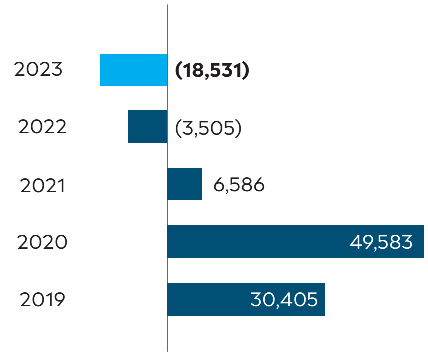
NET ASSET VALUE (S$'000)



TOTAL TURNOVER (S$'000)



(LOSS)/PROFIT BEFORE TAX (S$'000)



Holiday Inn Resort Phuket by AF Global

GROUP'S 5-YEAR FINANCIAL HIGHLIGHTS

(S$)	2023 ('000)	2022 ('000)	2021 ('000)	2020 ('000)	2019 ('000)
Total Turnover	**599,998**	506,236	417,176	531,246	560,242
(Loss)/profit Before Tax	**(18,531)**	(3,505)	6,586	49,583	30,405
(Loss)/profit After Tax	**(17,100)**	(11,746)	2,655	29,456	18,560
Paid-up Capital	**272,066**	267,574	267,574	226,930	226,930
Total Equity	**503,146**	396,366	437,530	446,941	410,448
Net Asset Value	**417,735**	312,277	352,728	339,730	312,723
(Loss)/earnings Per Share (cents)	**(1.08)**	(0.68)	(0.02)	0.92	0.66

CORPORATE INFORMATION

DIRECTORS

Koh Wee Seng
Chief Executive Officer

Koh Lee Hwee
Executive Director

Ko Lee Meng
Non-Executive and Non-Independent Director

Wong Soon Yum
Lead Independent Director

Ong Tuen Suan
(Appointed as Independent Non-Executive Director on 29 April 2023)

Goh Bee Leong
(Appointed as Independent Non-Executive Director on 31 October 2023)

COMPANY SECRETARY

Lim Swee Ann Felix
CPA, ACIS

REGISTERED OFFICE

77 Robinson Road
#06-03 Robinson 77
Singapore 068896

SHARE REGISTRAR

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

PRINCIPAL BANKERS

United Overseas Bank Limited

DBS Bank Ltd.

Oversea-Chinese Banking Corporation Limited

RHB Bank Berhad

CIMB Bank Berhad

AUDITOR

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

Partner-in-charge:
Tan Peck Yen
(Chartered Accountant, a member of the Institute of Singapore Chartered Accountants)
(Since financial year ended 31 December 2021)

BOARD OF
DIRECTORS

KOH WEE SENG is our CEO and is responsible for the strategic planning, overall management and business development of the Group. Since late 1994, when the new management team, led by Mr Koh, took over the reins, the Group has overcome the challenges posed by changing consumer demand by implementing wide ranging and fundamental changes in its jewellery business. Mr Koh has also successfully led the Group's diversification into the real estate business, hospitality and financial service business. Mr Koh holds a Bachelor's degree in Business Administration from the National University of Singapore.

KOH LEE HWEE is our Executive Director. Ms Koh is currently heading World Class Land Pte. Ltd., a subsidiary of Aspial Corporation Limited. Prior to her appointment, Ms Koh was also the CEO for our subsidiary Aspial Lifestyle Limited ("**Aspial Lifestyle**") which is listed on Catalist of SGX. She stepped down from the position on 5 January 2015. She was responsible for the strategic planning, overall management and business development of Aspial Lifestyle group of companies. She has held the position of Vice President (Manufacturing) of the Group, where she oversaw and spearheaded the growth of our manufacturing division and was responsible for the overall production plans, technology, management and development. Ms Koh has more than 20 years of experience in the jewellery industry. Ms Koh holds a Bachelor's degree in Arts from the National University of Singapore.

KO LEE MENG is our Non-Executive Director and Non-Independent Director. On 1 October 2015, she relinquished her role as Executive Director and remains as the Non-Executive Director of the Group. Ms Ko has more than 25 years of experience in the jewellery industry and was previously the head of the Group's retail merchandising and manufacturing departments where she oversaw the management, manufacturing, replenishment and distribution of merchandise to our jewellery retail stores. Ms Ko holds a Bachelor's degree in Arts from the National University of Singapore.

WONG SOON YUM is our Lead Independent Director. Mr Wong is the Chairman of our Audit Committee. Mr Wong started his career in the banking industry in 1971 with The Chase Manhattan Bank, N.A. and retired from his position as a Senior Vice President of Oversea-Chinese Banking Corporation Limited at the end of 1998. Mr Wong holds a Professional Diploma in Accountancy from Singapore Polytechnic and completed the Management Programme of Stanford-National University of Singapore.

GOH BEE LEONG was appointed as our Independent Director on 31 October 2023. She has 40 years of extensive experience in the healthcare industry. During this time, she has held several senior management positions across diversified functions. These include manufacturing, quality control, product development and marketing of generic pharmaceuticals. Ms Goh has been with Haw Par Healthcare Limited since 2003 and has retired as its General Manager (Manufacturing) and Director. in February 2024 Ms Goh holds a Bachelor of Science (Pharmacy) from the National University of Singapore.

ONG TUEN SUAN was appointed as our Independent Director on 29 April 2023. Mr Ong joined Neptune Orient Lines Limited ("NOL"), a company which was previously listed on the SGX-ST in 1991 as an accountant and subsequently took on various finance and commercial leadership postitions progressively within NOL. Over a 24-year career with NOL, Mr Ong had been based in Singapore, the United Arab Emirates and the United States of America, covering finance, compliance and control, finance planning and analysis, as well as commercial and operational activities. His last appointment in NOL was as the regional financial officer for the Americas, where he was responsible for, among others, the financial reporting compliance and control, investment and divestment management and special projects support activities for the company's operations in the Americas. Mr Ong left NOL in 2015 and is currently managing a consultancy practice covering management advisory services primarily for small and medium-sized enterprises in Singapore. Mr Ong holds Bachelor of Economics from Monash University.

KEY MANAGEMENT

NG SHENG TIONG, DAVID is the Chief Executive Officer of our property business. He oversees the management of our property development and property investment business in Australia & Malaysia. David started his career in the field of Information Technology, and was the Group's Information Technology Director. In 2011, he moved on to head our Group's property business and over the last 10 years, have accumulated a wealth of experience in property development in Singapore, Australia & Malaysia. David holds a Master of Business in Information Technology from Royal Melbourne Institute of Technology.

LIM SWEE ANN, FELIX currently serves as the Chief Financial Officer of our Group. Before joining the Group, he worked for two listed companies, one each in Singapore and Malaysia. He has more than 20 years of experience working in the finance organisation of various industries including ship building, manufacturing, retail and property development. He holds a Bachelor's degree in Commerce and Administration from Victoria University of Wellington in New Zealand and a Master of Business from Victoria University of Technology (Australia). He is a member of CPA Australia and a member of The Singapore Association of the Institute of Chartered Secretaries and Administrators.

MEELAN GURUNG is the Senior Director of Tax and Special Projects for the Group. He oversees the Group's strategic projects, tax structure and strategy, and provides financial and business leadership for mergers, acquisitions and divestment activities, financing requirements, access to capital market and investments. Meelan is a professional finance and tax specialist with more than 20 years of experience. Prior to joining the group, he was holding senior management positions with Acuatico Pte. Ltd., Avenue Capital Group and Schlumberger. He holds a Bachelor degree in Economics from Monash University and is a member of CPA Australia.

CHAN GEK CHING, JOCELYN is currently our Human Resource Director and manages all aspects of the human resource functions. Her key priority is to work together with the leadership team to inspire and achieve organisational effectiveness through business partnerships, attract and develop the best talents, and build a culture of collaboration and innovation. Jocelyn has more than 15 years of HR experience from the retail and tourism industries, and is a certified IHRP-Senior Professional. She holds a Master of Business from Nanyang Technological University and a Master of Science in Advanced Leadership Practise from University of Edinburgh Napier.

LIM JULIE is currently our Group's Corporate Information Technology Director and manages all aspects of the IT functions ranging from infrastructure, hardware to applications. She has spent majority of her career in the IT industry and has more than 25 years of experience, and out of which 17 years in the IT project management and planning. Julie is a certified Project Manager from both the Project Management Institution (PMI) and Infocomm Development Authority of Singapore (IDA) as well as a certified Enterprise Architecture (TOGAF). Before joining the Group, she was in IT consulting and banking arena. She holds a Honors Degree in Computing and Information System from University of London and Degree in Psychology from University of Singapore Institute of Management.

CORPORATE GOVERNANCE **REPORT**

Destinée Diamond Solitaires by Lee Hwa Jewellery

The board of directors (the "**Board**" or the "**Directors**") of Aspial Corporation Limited (the "**Company**" and together with its subsidiaries, the "**Group**") recognises the importance of corporate governance and is committed to ensuring the practices recommended in the Code of Corporate Governance 2018 (the "**Code**") are practiced throughout the Group.

This report outlines the Company's corporate governance practices that were in place during the financial year ended 31 December 2023 ("**FY2023**"), with specific references made to the principles and provisions of the Code and accompanying practice guidance (the "**Practice Guidance**"), which forms part of the continuing obligations under the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The Board is pleased to confirm that for FY2023, the Company has complied with the principles and provisions as set out in the Code and the Practice Guidance, except where otherwise explained. In areas where the Company's practices vary from any of the provisions of the Code and the Practice Guidance, the Company has stated herein the provision of the Code and the Practice Guidance from which it has varied, and appropriate explanations are provided for the variations, and how the practices the Company had adopted are consistent with the intent, aim and philosophy of the relevant principles of the Code and the Practice Guidance. The Company will continue to assess its needs and implement appropriate practices accordingly.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: Effective Board to lead and control the Company

The Board directs and leads the business affairs of the Group and is responsible for setting the strategic direction and establishing goals for protection and enhancement of long-term value and returns for the shareholders. The Board works with the senior management team of the Company ("**Management**") to achieve these goals set for the Group. To ensure smooth operations, facilitate decision-making and ensure proper controls, the Board has delegated some of its powers to its committees and Management. The committees and Management remain accountable to the Board.

In addition to its statutory duties, the principal functions of the Board are to:

- provide entrepreneurial leadership, set strategic directions, and ensure the necessary financial and human resources are in place for the Group to meet its objectives;
- establish a framework of prudent and effective controls which enable risks to be assessed and managed, and to achieve an appropriate balance between risks and company performance;
- constructively challenge Management and review Management's performance;
- set the Group's corporate values and standards which include ethical standards and ensure that obligations to shareholders and others are understood and met;
- instil an ethical corporate culture and ensure that the Group's values, standards, policies and practices are consistent with the culture to ensure proper accountability within the Company and the Group; and
- ensure transparency and accountability to key stakeholder groups.

The Company has internal guidelines setting forth matters that require Board's approval. The material transactions that require Board's approval under such guidelines are as follows:

- approval of financial results announcements and financial statements;
- declaration of interim dividends and proposal for final dividends;
- convening of shareholders' meetings;
- authorisation of merger and acquisition transactions; and
- authorisation of major transactions.

BOARD MATTERS (cont'd)

THE BOARD'S CONDUCT OF AFFAIRS (cont'd)

Principle 1: Effective Board to lead and control the Company (cont'd)

All Directors objectively have discharged their duties and responsibilities at all times as fiduciaries in the interests of the Company. The Board has, without abdicating its responsibilities, delegated certain matters to specialised committees of the Board, which include the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"). The Board Committees assist the Board in carrying out and discharging its duties and responsibilities efficiently and objectively. The Board Committees function within clearly defined terms of reference setting out their compositions, authorities and duties, which include reporting back to the Board, and operating procedures. The effectiveness of the Board Committees is also reviewed by the Board on an annual basis. Information on the Board Committees and their respective terms of reference can be found in the subsequent sections of this report.

The Board meets on a quarterly basis and as warranted. Ad-hoc meetings are held to address significant issues or transactions. The Board members also meet regularly with Management to discuss the business operations of the Group either formally or informally.

The Company's Constitution provides for the Board to convene meetings by way of telephone conference and/or by means of similar communication equipment where all Directors participating in the meetings are able to hear each other. Decisions of the Board and the Board Committees may also be obtained through circular resolutions.

The details of the number of the Board and the Board Committees meetings held in the calendar year and the attendance of each Director at those meetings are set out below:

	Board		Audit Committee		Nominating Committee		Remuneration Committee	
Name of Director	**No. of meeting held**	**No. of meeting attended**	**No. of meeting held**	**No. of meeting attended**	**No. of meeting held**	**No. of meeting attended**	**No. of meeting held**	**No. of meeting attended**
Koh Wee Seng	4	4	2*	2*	1	1	1*	1*
Koh Lee Hwee	4	4	2*	2*	1*	1*	1*	1*
Ko Lee Meng	4	4	2	2	1*	1*	1	1
Wong Soon Yum	4	4	2	2	1	1	1	1
Kau Jee Chu(1)	4	1	2	1	1	1	1	1
Ng Bie Tjin @ Djuniarti Intan(2)	4	3	2	2	1	1	1	1
Ong Tuen Suan(1)	4	3	2	1	1	–	1	–
Goh Bee Leong(2)	4	1	2	–	1	–	1	–

(1) Mr Kau Jee Chu retired as an Independent Director at the conclusion of the AGM held on 28 April 2023. Mr Ong Tuen Suan was appointed as an Independent Director on 29 April 2023 in place of Mr Kau.

(2) Ms Ng Bie Tjin @ Djuniarti Intan has resigned as an Independent Director with effect from 31 October 2023. Ms Goh Bee Leong was appointed as an Independent Director on 31 October 2023 in place of Ms Ng.

** By invitation.*

A formal Letter of Appointment has been provided to the existing Non-Executive Directors which sets out the Directors' duties and responsibilities and the Board governance policies and practices. In line with the corporate governance best practices, a formal Letter of Appointment will be provided to new Directors, setting out their duties and responsibilities and obligations as a Director in respect of potential conflicts of interest, their interested person transactions and disclosure of Director's interests. All Directors are required to disclose their business interests and any potential or actual conflicts of interest that they are aware of, or as soon as such conflicts become apparent. In any situation that involves a conflict of interest with the Group, the Directors will recuse themselves from participating in any discussions and decisions on the matter.

BOARD MATTERS (cont'd)

THE BOARD'S CONDUCT OF AFFAIRS (cont'd)

Principle 1: Effective Board to lead and control the Company (cont'd)

The Group will make arrangement for all newly appointed Directors who do not have prior experience as directors to a public listed company in Singapore to attend courses organised by the Singapore Institute of Directors as required under the Listing Manual. Newly appointed Directors are also given an orientation on the Group's businesses and strategic directions, so as to familiarise them with the Group's operations and encourage effective participation in Board discussion. All Directors are updated on major developments of the Group. Familiarisation visits are organised, if necessary, to facilitate a better understanding of the Group's business operations.

As at the date of this report, all Directors have attended the prescribed sustainability training course authorised by the Singapore Exchange Regulation ("**SGX Regco**") to equip themselves with basic knowledge on sustainability matters.

To enhance a Director's performance as a Board member or Board Committee member, all Directors will go through an induction programme and are encouraged to undergo continual professional development during the term of their appointment to develop and maintain their skills and knowledge. Professional development may relate to directors' duties and responsibilities, corporate governance, key changes in the relevant regulatory requirements, changes in financial reporting standards and industry related matters. Directors will also receive regular updates on changes in the relevant laws and regulations, changing commercial risks and business conditions to enable them to make well-informed decisions. All Directors were updated on the Code which applies to Annual Reports covering financial years commencing from 1 January 2023. The Company Secretary briefed the Board on the latest changes to the Listing Manual, as part of a continued effort to provide the Board a refresher on the Group's processes towards regulatory compliance. The Directors are also provided with briefing and updates on the developments in financial reporting and governance standards by the Company's external auditors, Ernst & Young LLP. The Group's external auditors also provide regular updates and periodic briefing to the AC on changes or amendments to the accounting standards and their impact on the financial statements, if any.

As the ability to commit sufficient time and attention to the Group's affairs is essential for the individual Director's contribution and performance, the Board has considered the number of listed directorships each of its Directors can hold to ensure Directors give sufficient time and attention to the affairs of the Company. As a guide, Directors should not have more than six (6) listed company board representations. None of the Directors of the Company sits on the boards of more than six (6) listed companies. The NC determines annually whether a director with other listed company board representations is able to and has been adequately carrying out his or her duties as a director of the Company. In FY2023, the NC has reviewed and is satisfied that where Directors have other listed company board representations, the Directors have been able to devote sufficient time and attention to the affairs of the Company to adequately carry out their duties as Directors of the Company.

To enable the Board to fulfil its responsibilities, Management provides the Board with management reports on a regular and timely basis, with relevant and adequate information prior to the Board meetings so that the Directors may better understand the matters and discussion may be focused on questions that the Directors may have. Directors are entitled to request from Management and should be provided with such additional information as needed to make informed decisions.

The Board also receives regular updates pertaining to the operational and financial performance of the Group from Management. Such updates enable the Directors to keep abreast of key issues and developments in the Group's core businesses as well as challenges and opportunities for the Group.

The Board also has separate and independent access to the Company Secretary and Management. In the Board meetings, the Chief Executive Officer ("**CEO**") will provide an update on the Group's business review and outlook. Furthermore, the Group Chief Financial Officer ("**CFO**") presents the financial highlights and performance. The Chairperson of each Board Committee will update the Board on any significant matters discussed at the Board Committees' meetings.

BOARD MATTERS (cont'd)

THE BOARD'S CONDUCT OF AFFAIRS (cont'd)

Principle 1: Effective Board to lead and control the Company (cont'd)

The Company Secretary attends all Board meetings and ensures that Board procedures are followed. The Company Secretary also ensures that the requirements under the Singapore Companies Act 1967 (the "**Companies Act**") and all other regulations of the SGX-ST are complied with. The Company Secretary also advises the Board on corporate and administrative matters, works with various service providers to facilitate orientations and assists with professional development as required.

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

Subject to the approval of the CEO, the Directors may seek and obtain independent professional advice to assist them in their duties, at the expense of the Company.

BOARD COMPOSITION AND GUIDANCE

Principle 2: Strong and independence element on the Board

The Board exercises objective judgement on the corporate affairs of the Group independently from Management and its substantial shareholders. No individual or a small group of individuals dominate the decisions of the Board.

As at the date of this report, Non-Executive Directors make up a majority of the Board. The Board comprises two (2) Executive Directors, one (1) Non-Executive and Non-Independent Director and three (3) Independent Non-Executive Directors. The Independent Non-Executive Directors make up half of the Board and the Company notes that this composition is not in compliance with the Code's requirement whereby the Chairman of the meeting is part of Management and is not independent. The Non-Executive Directors make up a majority of the Board, thus providing a strong independence element on the Board and the Company has in place internal guidelines for matters requiring Board's approval. Therefore, no individual or a small group of individuals is in a position to dominate the Board's decision making.

The independence of each Director will be assessed and reviewed annually by the NC. The NC adopts the Listing Rules' definition of what constitutes an Independent Director in its review.

Under Rules 406(3)(d) of the Listing Manual, a Director will not be considered as independent under any of the following circumstances:

(i) if he is employed by the issuer or any of its related corporations for the current or any of the past three (3) financial years;

(ii) if he has an immediate family member who is employed or has been employed by the issuer or any of its related corporation for the past three (3) financial years, and whose remuneration is determined by the remuneration committee of the issuer; or

(iii) if he has been a director of the issuer for an aggregate period of more than nine (9) years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the issuer.

As Mr Wong Soon Yum would have been a director of the Company for an aggregate period of more than nine years he will no longer considered independent at the conclusion of the forthcoming AGM pursuant to the Listing Manual of the SGX-ST. Accordingly, he will retire and not seek re-election at the forthcoming AGM. Mr Wong Soon Yum will cease to be a Director at the conclusion of the AGM.

BOARD COMPOSITION AND GUIDANCE (cont'd)

Principle 2: Strong and independence element on the Board (cont'd)

The Board considered the Group's current size, scope and nature of operations of the Group, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board committees, especially in the current economic climate where cost considerations and agility of the Board in decision-making are critical to the Company. The Board is of the view that the Board composition has an appropriate level of independence and diversity of thought and background to enable it to make decisions in the best interest of the Group. Accordingly, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 2 of the Code. The NC is of the view that the current Board is of an appropriate size, and comprises directors who as a group, provide the appropriate level of independence, diversity of thought and mix of skills, knowledge, experience, and are sufficiently diverse to avoid groupthink and foster constructive debate. Further, the Chairman of the meeting declared that he will abstain from exercising his casting vote as provided for in the Company's Constitution.

Executive Directors

Koh Wee Seng	Executive Director and Chief Executive Officer
Koh Lee Hwee	Executive Director

Non-Executive Directors

Wong Soon Yum	Lead Independent Director
Ong Tuen Suan	Independent Non-Executive Director
Goh Bee Leong	Independent Non-Executive Director
Ko Lee Meng	Non-Executive and Non-Independent Director

The Board considers a Director as "independent" (as defined in Practice Guidance 2) if the Director has no relationship with the Company, the Company's related corporations, the five percent (5%) shareholders or the Company's officers, that could interfere, or be reasonably perceived to interfere, with the exercise of that Director's independent business judgement with a view to the best interests of the Company.

The independence of each Director is reviewed annually by the NC. The NC adopts the definition in the Code and Listing Manual of the SGX-ST of what constitutes an Independent Director in its review. The NC has reviewed and determined that Mr Wong Soon Yum, Mr Ong Tuen Suan, and Ms Goh Bee Leong are independent. After taking into account the views of the NC, the Board is of the view that the Directors concerned remain independent of character and judgement and there were no relationships or circumstances which were likely to affect, or could appear to affect, the Directors' judgement.

For FY2023, the Independent Directors (namely Mr Wong Soon Yum, Mr Ong Tuen Suan, and Ms Goh Bee Leong) have confirmed that they or their immediate family members do not have any relationship with the Company or any of its related corporations, its five percent (5%) shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement with a view to the best interests of the Company, and do not fall under any of the circumstances pursuant to Rule 210(5)(d)(i) and (ii) of the Listing Manual of the SGX-ST.

The Board recognises that Independent Directors may over time develop significant insights in the Group's business and operations and can continue to provide noteworthy and valuable contribution objectively to the Board as a whole. The independence of the Independent Directors must be based on the substance of their professionalism, integrity, and objectivity, and not merely based on form; such as the number of years which they have served on the Board.

The Board has a diversity policy which requires the NC to review the Board's diversity in skills, industry, business experience, gender, age, ethnicity and other attributes among the Directors, with the objective of bringing to the Board different perspectives, experiences and competencies. The Directors consider the Board's present size of six (6) members and composition appropriate to facilitate effective decision making, taking into account the nature and scope of the Group's operations, the wide spectrum of skills and knowledge of the Directors and gender diversity of the Board. The Directors on the current Board have professional expertise and competency in their respective fields in banking, finance, accounting and real estate. The Board is of the view that diversity is important to enhance the Board's effectiveness as it provides unique insights and more effective decision-making. Gender is an important aspect of diversity. The Board has an equal proportion of male and female directors, given that three (3) out of six (6) members are female.

BOARD COMPOSITION AND GUIDANCE (cont'd)

Principle 2: Strong and independence element on the Board (cont'd)

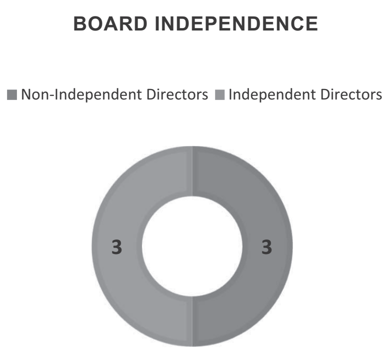
In addition, the Board consists of Directors with ages ranging from mid-50s to mid-70s, who have served on the Board for different tenures. The Board members with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction. In respect of the overall diversity target, the NC and the Board are of the view that the target has already been achieved.

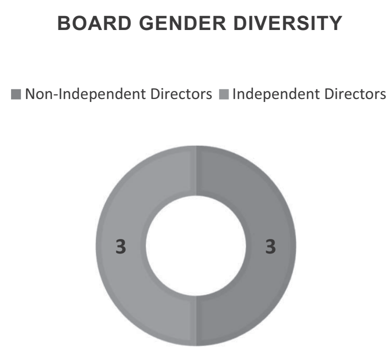
The NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure there is diversity (including gender diversity) on the Board.

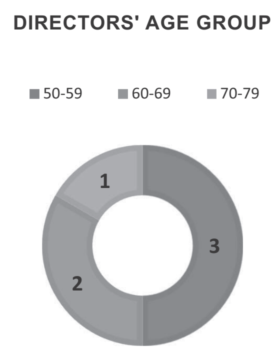
The Board will also seek to incorporate diversity aspects during the NC's annual review and as and when the opportunity arises, instead of adhering to a fixed timeline for diversity targets. The Board will ensure that it has the flexibility to improve its diversity without compromising board efficiency. The NC will deliberate and determine, from time to time, the results of its review and in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors, taking into account the need for progressive renewal of the Board composition and bearing in mind the salient factors set out under the Code and all other relevant provisions.

Details of the Board skill sets and composition as at the date of this report are as follows:

BOARD SKILL SETS
Accounting and financial management
Banking industry
Business development
Business entrepreneurship
Jewellery industry
Product development
Strategic planning







The Independent Non-Executive Directors participate actively in the Board meetings. Their professional expertise and competency in their respective fields in banking, finance and accounting provide constructive advice and guidance for effective discharge by the Board of the Group's strategies and business affairs.

The Independent Non-Executive Directors would also constructively challenge and help develop proposals on the Group's business strategy and review the performance of Management in meeting agreed goals and objectives as well as monitoring the reporting of performance.

Where necessary, the Independent Non-Executive Directors meet and discuss the Group's affairs without the presence of Management. The Company would make available its premises for use by the Non-Executive Directors to meet without the presence of Management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: Clear division of responsibilities and balance of power and authority

The Company currently does not have an independent Chairman to preside over the Board. All Board meetings are usually chaired by the Company's CEO, Mr Koh Wee Seng. The Board is of the opinion that the process of decision making by the Board has been independent and has been based on collective decisions without any individual exercising any considerable concentration of power or influence. All Directors ensure that they have collectively taken decisions in the interests of the Company.

As Chairman of the meeting, Mr Koh is responsible for:

- leading the Board to ensure its effectiveness;
- setting the agenda for Board meetings and to ensure adequate time for discussion;
- promoting openness and discussion during the Board meetings;
- ensuring that Directors receive complete, adequate and timely information;
- ensuring effective communication with the shareholders;
- encouraging constructive relations within the Board and between the Board and Management;
- facilitating effective contributions of all Directors; and
- promoting high standards of corporate governance.

As the CEO of the Company, he oversees the day-to-day management, leads and implements all major initiatives (such as expansion related strategies, acquisitions and capital investments of the Group), and plays an instrumental role in the sustainable development and growth of the Group's businesses.

In line with the Code's recommendation, the Board has appointed Mr Wong Soon Yum, an Independent Non-Executive Director, as the Lead Independent Director since the Chairman of the meeting and the CEO are the same person. Where the normal communication channels to the CEO or the CFO have failed, the Lead Independent Director makes himself available to shareholders to share their concerns or resolve such problems.

Where necessary, the Lead Independent Director shall lead the meetings among the Independent Non-Executive Directors without the presence of the other Directors, including situations where the Chairman of the meeting is conflicted. The Lead Independent Director shall provide feedback to the Chairman of the meeting after such meetings, where necessary.

BOARD MEMBERSHIP

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board

The NC comprises the following four (4) members, three (3) of whom, including the Chairman, are Independent Non-Executive Directors:

Ong Tuen Suan	Chairman	Independent Director
Wong Soon Yum	Member	Lead Independent Director
Goh Bee Leong	Member	Independent Director
Koh Wee Seng	Member	Executive Director

BOARD MEMBERSHIP (cont'd)

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board (cont'd)

The NC carries out its duties in accordance with a set of written terms of reference which includes, mainly, the following:

- reviewing, assessing, making recommendations to the Board on the appointment of all Directors, including making recommendations on the composition of the Board (taking into account Rule 210(5)(c) of the Listing Manual of the SGX-ST and Provisions 2.1 to 2.4 of the Code, progressive renewal of the Board, each Director's qualifications, competency, the number of other listed company board representations and whether he/she is independent);

- reviewing the structure, size and composition (including the skills, gender, age, qualification, experience and diversity) of the Board and Board Committees (taking into account Rule 210(5)(c) of the Listing Manual of the SGX-ST and Provisions 2.1 to 2.4 of the Code). The NC shall make recommendations to the Board with regard to any adjustments that may be deemed necessary;

- reviewing, assessing and recommending nominee(s) or candidate(s) for re-appointment or re-election to the Board and to consider his/her competencies, experience, knowledge, gender, age, skills in relation to the needs of the Board, commitment, contribution, performance and whether or not he/she is independent, will add diversity to the Board and will likely to have adequate time to discharge his/her duties;

- making plans for succession, in particular for the Chairman of the Board, the Directors, CEO and key management personnel ("**KMP**") of the Company;

- determining, on an annual basis, if a Director is independent bearing in mind the circumstances set forth in Rules 210(5)(d)(i), (ii), and (iii) of the Listing Manual of the SGX-ST and Provision 2.1 of the Code. If the NC determines that a Director, who has one or more relationships mentioned under Rules 210(5)(d)(i), (ii), and (iii) of the Listing Manual of the SGX-ST and Provision 2.1 of the Code, can be considered independent, the NC should provide its views to the Board for the Board's consideration. Conversely, the NC has the discretion to determine that a Director is non-independent even if the said Director does not fall under the circumstances set forth under Rules 210(5)(d)(i), (ii), and (iii) of the Listing Manual of the SGX-ST and Provision 2.1 of the Code. It shall also similarly provide its views to the Board for the Board's consideration;

- recommending Directors who are retiring by rotation to be put forward for re-election;

- deciding whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple board representations, and/or other principal commitments;

- recommending to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards and the maximum number of listed company board representations which any Director may hold;

- assessing the effectiveness of the Board as a whole, and Board Committees and the contribution of each individual Director to the effectiveness of the Board;

- recommending to the Board the development of a performance evaluation framework and deciding how the performance of the Board may be evaluated and proposing objective performance criteria. The Chairman of the NC should act on the results of the performance evaluation, recommend areas that need improvement and, where appropriate, propose new members be appointed to the Board or seek the resignation of Directors, in consultation with the NC;

- recommending to the Board appropriate comprehensive induction training programmes for new Directors and to identify and develop training and professional development programmes for the Board to keep the Board apprised of relevant new laws, regulations and changing commercial risks, and assist with similar programme for the Board Committees; and

- reviewing and ensuring that there is a clear division of responsibilities between the Chairman and CEO of the Company.

BOARD MEMBERSHIP (cont'd)

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board (cont'd)

In its selection of new Directors, the NC reviews the composition of the Board and identifies the skill sets which will enhance the Board's overall effectiveness. Potential candidates are identified from various sources. The Board conducts an initial assessment to review the candidate's qualifications, attributes and past experiences followed by interviewing short-listed candidates. The proposed candidate's independence, expertise, background and right skills will be considered before the Board makes its final decision on the appointment.

For re-appointment of Directors to the Board, the Board will take into consideration, amongst others, the Director's integrity, competencies, independence, commitment, contribution and performance (such as attendance, participation, preparedness and candour). Further information on the independence of the Directors can be found under the section entitled "Board Matter - Board Composition and Guidance" of this Annual Report.

The NC ensures that new directors are aware of their duties and obligations. Information in respect of the academic and professional qualifications, major appointments, and present and past directorships is set out in the "Board of Directors" section of this report. For FY2023, the Board is of the view that all Directors have been able to and have adequately carried out their duties as Directors notwithstanding their other listed company board representations and other principal commitments. Having reviewed each Director's attendance, participation, contribution, expertise and competing time commitments, the Board (with the NC's concurrence) is of the view that none of the Directors holds a significant number of directorships and other principal commitments that may impede his/her ability to discharge his/her duties. The Board further notes that none of the Directors hold six (6) or more listed company directorships. Further information on multiple directorships can be found under the section entitled "Board Matter - The Board's Conduct of Affairs" of this Annual Report.

BOARD PERFORMANCE

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board

The NC determines the criteria on which Board performance is to be evaluated and, subject to the approval of the Board, proposes objective performance criteria which address how the Board has enhanced long-term shareholders' value. The NC will continue to review formal assessment processes for evaluating Board performance, as well as the contribution of individual Director to the effectiveness of the Board. Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his/her performance or re-nomination as Director.

For FY2023, the Directors participated in the evaluation by providing feedback to the NC in the form of completing a Board performance evaluation questionnaire which covers several parameters such as Board composition, conduct of meetings, Board process, Board accountability, risk management, measuring and monitoring performance as well as communication with shareholders. The assessment results are presented to the Board by the NC and follow-up actions are taken to address any areas for improvement.

The assessment parameters for each Director include their knowledge and abilities, attendance records at the meetings of the Board and Board Committees, and the intensity and quality of participation at meetings. The NC and the Board have relied on the abovementioned parameters to evaluate the Directors' contribution individually and have taken such evaluation into consideration for the re-nomination of the Directors.

All Directors submit themselves for re-nomination and re-appointment at regular intervals of at least once every three (3) years. The Company's Constitution provides that at least one-third of the Board shall retire from office by rotation and are subject to re-election at every AGM. The NC has reviewed and is satisfied that the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM are properly qualified for re-appointment by virtue of their skills, experience and contributions.

BOARD PERFORMANCE (cont'd)

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board (cont'd)

The NC recommended to the Board that Mr Koh Wee Seng who is retiring pursuant to Regulation 104 and Ms Koh Lee Hwee who is retiring pursuant to Regulation 105 of the Company's Constitution and Rule 720(5) of the Listing Manual of the SGX-ST, be nominated for re-election as Directors at the forthcoming AGM. The NC has also recommended to the Board that Mr Ong Tuen Suan and Ms Goh Bee Leong, who are retiring pursuant to Regulation 108 of the Company's Constitution, be nominated for re-election as Director at the forthcoming AGM. The Board has accepted the recommendations of the NC. As Mr Wong Soon Yum would have been a director of the Company for an aggregate period of more than nine years he will no longer considered independent at the conclusion of the forthcoming AGM pursuant to the Listing Manual of the SGX-ST. Accordingly, he will retire and not seek re-election at the forthcoming AGM. Mr Wong Soon Yum will cease to be a Director at the conclusion of the AGM. More information on Mr Koh Wee Seng, Ms Koh Lee Hwee, Mr Ong Tuen Suan and Ms Goh Bee Leong is set out under the section entitled "Board of Directors". The re-appointments of Mr Koh Wee Seng, Ms Koh Lee Hwee, Mr Ong Tuen Suan and Ms Goh Bee Leong shall be subject to shareholders' approval at the forthcoming AGM.

The Company has complied with Rule 720(6) of the Listing Manual of the SGX-ST as the information relating to the re-elected Directors is set out under the section entitled "Additional Information on Directors Nominated For Re-election - Appendix 7.4.1" of this Annual Report.

The Company does not have any alternate Directors.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors

The RC comprises the following four (4) Directors who are all Non-Executive Directors and three (3) of whom, including the Chairman, are Independent Non-Executive Directors:

Goh Bee Leong	Chairman	Independent Director
Wong Soon Yum	Member	Lead Independent Director
Ong Tuen Suan	Member	Independent Director
Ko Lee Meng	Member	Non-Executive Director

The RC carries out its duties in accordance with a set of written terms of reference which includes, mainly, the following:

- reviewing and submitting a general framework of remuneration for endorsement by the entire Board, which is used to determine the specific remuneration packages and terms of employment for each of the Directors (including the CEO), KMP and any other employees related to the Executive Directors and controlling shareholders of the Group which are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company;

- ensuring that a significant and appropriate proportion of Executive Directors' and KMP's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company;

- reviewing the remuneration of employees related to the Directors, CEO or substantial shareholders, if any, to ensure that their remuneration packages are in line with staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;

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

REMUNERATION MATTERS (cont'd)

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES (cont'd)

Principle 6: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors (cont'd)

- ensuring that the contractual terms and any termination payments are fair to the individual and the Company;
- setting performance measures and determining targets for any performance-related pay schemes, as necessary, that are operated by the Company;
- reviewing and submitting its recommendations for endorsement by the entire Board, share-based incentives or awards or any long term incentive schemes which may be set up from time to time, in particular, to review whether Directors and KMP should be eligible for such schemes and also to evaluate the costs and benefits of such schemes and to do all acts necessary in connection therewith; and
- reviewing the ongoing appropriateness and relevance of the Company's remuneration policy (including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind) and other benefit programmes (where appropriate).

As part of its review, the RC shall take into consideration:

- that the remuneration packages should be comparable within the industry and in comparable companies and shall include a performance-related element coupled with appropriate and meaningful measures of assessing individual Director's and KMP's performance. A significant and appropriate proportion of Executive Directors' and KMP's remuneration should be structured so as to link rewards to corporate and individual performance;
- that the remuneration packages of employees related to Executive Directors and substantial or controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibility;
- that the level and structure of remuneration should be aligned with the long-term interests and risk policies of the Company and Provisions 7.1 to 7.3 of the Code; and
- that the Company's obligations arising in the event of termination of the Executive Directors' and KMP's contracts of service contain fair and reasonable termination clauses

The RC ensures that a formal and transparent procedure is in place for determining the remuneration packages of individual Directors and KMP. All aspects of remuneration including, but not limited to, Directors' fees, salaries, allowances, bonuses and other benefits-in-kind are reviewed by the RC. The recommendations of the RC are submitted for endorsement by the Board. None of the members of the RC or any Director is involved in deciding his/her own remuneration package.

While none of the RC members specialises in the field of executive remuneration, they do possess general knowledge in this area. The RC will engage professional advice in relation to remuneration matters as and when the need arises. The RC will ensure that existing relationships between the Company and its appointed remuneration consultant, if any, will not affect the independence and objectivity of the remuneration consultants.

The Company's remuneration policy is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate Directors and KMP of the required experience and expertise. Service agreements for Executive Directors are for a fixed appointment period and do not contain onerous removal clauses. The RC reviews the fairness and reasonableness of termination clauses of the service agreements of the Executive Directors and KMP to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance. There are no termination, retirement and post-employment benefits granted over and above what has been disclosed. None of the Non-Executive Directors have service agreements with the Company.

LEVEL AND MIX OF REMUNERATION

Principle 7: Level of remuneration of Directors should be appropriate but not excessive

The remuneration of employees related to Executive Directors and controlling shareholders of the Group will be reviewed annually by the RC 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. Any bonuses, pay increments and/or promotions for these related employees will also be subject to the review and approval of the RC. In the event that a member of the RC is related to the employee under review, he/she will abstain from participating in the review.

The remuneration packages of the Executive Directors and the KMP comprise a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and their individual performance. The performance-related component of the remuneration package is designed to align the interests of the Executive Directors with those of the shareholders and link rewards to the Group's financial performance.

Directors' fees are set in accordance with a remuneration framework based on the level of responsibility and scope of work. The Non-Executive Directors are paid fixed Directors' fees appropriate to their level of contribution, taking into account factors such as effort and time spent, and their responsibilities on the Board and the Board Committees. The Independent Non-Executive Directors have not been over-compensated to the extent that their independence is compromised. The fees to Independent Non-Executive Directors are subject to shareholders' approval at the AGMs of the Company. The Board has endorsed the remuneration framework.

The Company does not have contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Directors and KMP in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Company should be able to avail itself to remedies against the Executive Directors and KMP in the event of such breach of fiduciary duties.

DISCLOSURE ON REMUNERATION

Principle 8: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration

The Board has not included a separate annual remuneration report to shareholders in the Annual Report on the remuneration of Directors and the top five (5) KMP (who are not Directors or the CEO of the Company) as the Board is of the view that the matters which are required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this report and in the financial statements of the Company.

Notwithstanding that it is a variation from Provision 8.1 of the Code, the Company wishes to disclose the remuneration of the Directors in bands of S$250,000 for FY2023. The Company is of the view that the intent of Principle 8 was met, as the remuneration policies and the procedure for setting remuneration applicable to the Executive Director/CEO and the KMP are described above, and the level and mix of remuneration is disclosed in the table below.

DISCLOSURE ON REMUNERATION (cont'd)

Principle 8: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration (cont'd)

Disclosure on Directors' Fees and Remuneration

A breakdown of the level and mix of the remuneration payable to each individual Director for FY2023 are as follows:

Remuneration Band	Director	FY2023 Salary (including CPF) (%)	Bonus, profit sharing (%)	Fee (%)	Other Benefits (%)
S$250,000 to below S$500,000	Koh Wee Seng	65	30	5	–
	Koh Lee Hwee	69	29	2	–
	Ko Lee Meng	–	–	100	–
Below S$250,000	Wong Soon Yum	–	–	100	–
	Kau Jee Chu [(1)]	–	–	100	–
	Ng Bie Tjin @ Djuniarti Intan [(2)]	–	–	100	–
	Ong Tuen Suan[(3)]	–	–	100	–
	Goh Bee Leong[(4)]	–	–	100	–

(1) Mr Kau Jee Chu retired as an Independent Director at the conclusion of the AGM held on 28 April 2023.
(2) Ms Ng Bie Tjin @ Djuniarti Intan has resigned as an Independent Director with effect from 31 October 2023.
(3) Mr Ong Tuen Suan was appointed as an Independent Director with effect from 29 April 2023.
(4) Ms Goh Bee Leong was appointed as an Independent Director with effect from 31 October 2023.

Remuneration of KMP (who are not Directors or the CEO)

The Board has reviewed the disclosure of the remuneration of the Directors and KMP (who are not Directors or the CEO of the Company) and has decided not to disclose the name and remuneration details of the KMP as the Board believes that such disclosure may be prejudicial to its businesses given the competitive business environment and bring about disadvantages in relation to staff retention. In addition, in view of the confidentiality and sensitivity on remuneration matters as well as the competitive business environment the company operates in, the Board believes that such disclosure may be prejudicial to its businesses and harm its commercial interests.

The remuneration of the top five (5) KMP comprises both fixed and variable components. Fixed component is in the form of fixed monthly salary whereas variable component is linked to the performance of the Group's businesses and individual performance.

A breakdown of the level and mix of the remuneration payable to each top five (5) KMP for FY2023 are as follows:

Remuneration Bands	No. of KMP	FY2023 Salary (including CPF) %	Bonus, profit sharing %	Other Benefits %
S$500,000 to below S$750,000	2	57	43	–
S$250,000 to below S$500,000	3	73	27	–

The total remuneration paid to the above five (5) KMP was S$2,506,933 for FY2023.

DISCLOSURE ON REMUNERATION (cont'd)

Principle 8: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration (cont'd)

Remuneration of KMP (who are not Directors or the CEO) (cont'd)

Mr Ng Sheng Tiong ("**Mr Ng**") is an Executive Director and Chief Executive Officer of World Class Global Pte. Ltd., a subsidiary of the Company. He is the husband of Ms Koh Lee Hwee and brother in-law of Mr Koh Wee Seng. The remuneration of Mr Ng fell within the band of S$250,000 and S$500,000. The Company is not disclosing Mr Ng's remuneration in band no wider than S$100,000 to ensure that it is consistent with the disclosure in previous years. Save as disclosed, there are no other employees of the Group who are substantial shareholders of the Group, or are immediate family members of the Directors or the CEO or a substantial shareholder of the Group, and whose remuneration exceeds S$100,000 during FY2023.

After taking into account the reasons for non-disclosure stated above, the Board is of the view that the current disclosure of the remuneration presented herein in this report is sufficient to provide shareholders information on the Group's remuneration policies, as well as the level and mix of remuneration. The Board has determined that there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation. Accordingly, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 8 of the Code.

Share-Based Incentive Plan

The Aspial Performance Share Plan (the "**Performance Share Plan**") and Aspial Subsidiary Performance Share Plan 2022 (the "**Subsidiary Performance Share Plan**") approved by the shareholders of the Company at the extraordinary general meeting held on 26 April 2017 and 29 April 2022 respectively. The Performance Share Plan and Subsidiary Performance Share Plan are administered by the RC. The names of the members of the RC are stated above.

The objectives of the Performance Share Plan and Subsidiary Performance Share Plan are to give recognition to employees for their past contributions and services and to motivate them to contribute towards the Group's long-term growth and prosperity. Participation in the Performance Share Plan and Subsidiary Performance Share Plan are open to all employees of the Group, including the Executive Directors and the Non-Executive Directors of the Company. Any awards that may be granted to any Non-Executive Directors would be intended as a token of the Company's appreciation.

During FY2023, no shares were granted to its employees under the Performance Share Plan and the Subsidiary Performance Share Plan. No awards were granted to the Directors of the Group.

ACCOUNTABILITY AND AUDIT RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: Sound system of risk management and internal controls

The AC reviews the Group's financial controls and risk management policies and processes, and based on its assessment and reports of the internal and external auditors, the AC and the Board are assured that adequate internal controls are in place.

The Board has overall responsibility for the governance of risk and exercises oversight of the material risks of the Group. The Board determines the nature and extent of the material risks which the Board is willing to take in achieving its strategic objectives and value creation. The Company's Management recommends risk tolerance and strategy to the Board and where appropriate, reports and recommends to the Board for its determination on the nature and extent of significant risks which the Group may take in achieving its strategic objectives.

Management identifies and manages the risks of the Group. Management is responsible for the effective implementation of risk management strategy, policy and processes to ensure the achievement of business plans and goals within the risk tolerance established by the Board. The Board regularly reviews the Group's business and operational activities to identify areas of significant business risks. Appropriate measures are taken to assess, control and mitigate these risks. The process of risk management has been integrated into the Group's business planning and monitoring processes.

ACCOUNTABILITY AND AUDIT RISK MANAGEMENT AND INTERNAL CONTROLS (cont'd)

Principle 9: Sound system of risk management and internal controls (cont'd)

The internal audit function performs risk assessment and conducts the review of the effectiveness of the Group's material internal controls, including financial, operational and compliance controls, information technology controls and risk management systems. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the AC.

The Company's internal control systems serve as the key in identifying and managing risks that are significant to the achievement of its business objectives. The internal controls in place maintained by the Company's Management throughout the year and up to the date of this report provide reasonable, but not absolute, assurance against material financial misstatements or loss, and include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practice, and the identification and containment of business risk. The Board notes that no system of internal control could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors and reviews performed by Management, the various Board Committees and the Board, the Board, with the concurrence of the AC is of the opinion that the Group's internal controls addressing the financial, operational, compliance risks, information technology controls and risk management systems are adequate and effective to meet the needs of the Group for the type and volume of businesses conducted in the current business environment. The Company has complied with Rule 1207(10) of the Listing Manual of the SGX-ST.

For FY2023, the AC had discussed with the Management and the external auditors on significant issues and assumptions that impact the financial statements. Key audit matters ("**KAM**") were reported by the external auditors and is set out under the section entitled "Independent Auditor's Report - Key Audit Matters" of this Annual Report. The AC reviewed the KAM and concurred and agreed with the external auditor and management on their assessment, judgements and estimates on the significant matters reported by the external auditor.

The Board has received assurance from:

(a) the CEO and the CFO 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

(b) the CEO and KMP that they have evaluated the adequacy and effectiveness of the Group's risk management and internal controls and assessed the internal auditors' reports on the Group's operations and external auditors' reports on the financial statements and management letter and noted that there have been no significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise or report financial information. The Group's risk management and internal controls systems (including financial, operational, compliance and information technology controls) are in place and are adequate and effective.

AUDIT COMMITTEE

Principle 10: Establishment of Audit Committee with written terms of reference

The AC comprises the following four (4) Directors who are all Non-Executive Directors and three (3) of whom, including the Chairman, are Independent Non-Executive Directors, who have accounting related or financial management experience:

Wong Soon Yum	Chairman	Lead Independent Director
Ong Tuen Suan	Member	Independent Director
Goh Bee Leong	Member	Independent Director
Ko Lee Meng	Member	Non-Executive Director

AUDIT COMMITTEE (cont'd)

Principle 10: Establishment of Audit Committee with written terms of reference (cont'd)

The Board is satisfied that the members of the AC are appropriately qualified to discharge their responsibilities. The Chairman of the AC, Mr Wong Soon Yum, and members, Mr Ong Tuen Suan and Ms Goh Bee Leong, have accounting and financial management experience.

The Company has established an in-house Internal Audit Department which performs risk assessment and conducts the review of the effectiveness of the Group's material internal controls, including financial, operational and compliance controls, information technology controls and risk management systems. The internal auditors have unfettered access to all company documents, records, properties, personnel and the AC and report findings and recommendations directly to the Chairman of the AC. The AC approves the appointment, termination, evaluation and remuneration of the head of internal audit function.

The internal audit function is independent of the activities it audits and carries out its activities in compliance with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The Board and the AC are of the opinion that the internal audit function is independent, effective and sufficiently resourced and has appropriate standing within the Company. Internal audits are performed by competent professional staff with relevant qualifications and experience. In order that their technical knowledge remains current and relevant, the Company identifies and provides training and development opportunities to the staff.

The AC reviews the activities of the internal audit on a regular basis, including overseeing and monitoring the implementation of the improvements required on internal control weaknesses identified. The AC reviews the adequacy and effectiveness of the internal audit function on an annual basis and is satisfied with its adequacy and effectiveness.

The AC meets on a semi-annual basis during the year. The AC carries out its duties in accordance with a set of written terms of reference which includes, mainly, the following:

- reviewing with the external auditors the audit plan and their evaluation of the system of internal accounting controls, their audit report, their management letter and Management's response;
- reviewing and reporting to the Board on the adequacy and effectiveness of the Company's internal controls and risk management systems in relation to financial reporting and other financial-related risk and controls (and to the extent delegated to it by the Board), and ensuring compliance with accounting standards, SGX-ST and statutory/regulatory requirements;
- ensuring that the Company has programmes and policies in place to identify and prevent fraud;
- overseeing the establishment and operation of the whistleblowing process in the Company;
- reviewing the financial reporting issues and judgements so as to ensure the integrity of periodic financial results and financial statements, and of announcements on the Company's financial performance and recommend changes, if any, to the Board;
- reviewing the assurance provided by the CEO and CFO that the financial records have been properly maintained, and that the financial statements give a true and fair view of the Company's operations and finances;
- meeting with external auditors and with the internal auditors without the presence of Management, at least annually, to discuss any issues and concerns they may have;
- reviewing the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external auditors annually and recommending the appointment/re-appointment of the external auditors, the audit fee and matters relating to the resignation or dismissal of the auditors. Where the auditors also supply non-audit services to the Company, the nature and extent of such services should be reviewed in order to balance the maintenance of objectivity and value for money, and to ensure that the independence of the auditors would not be affected;

AUDIT COMMITTEE (cont'd)

Principle 10: Establishment of Audit Committee with written terms of reference (cont'd)

- reviewing the internal audit programme and ensuring co-ordination between the internal and external auditors and Management;
- reviewing the adequacy, effectiveness, independence, scope and results of the Company's internal audit function;
- evaluating the effectiveness of both the internal and external audit efforts through regular meetings;
- ensuring that internal or external auditors has direct and unrestricted access to the Chairman of the AC and the Chairman of the Board;
- reviewing and discussing with the external auditors any suspected fraud and irregularity, or suspected infringement of any Singapore law, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and Management's response;
- reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- reviewing the interested person transactions falling within the scope of the Listing Manual of the SGX-ST including transactions that fall within the scope of Rule 912 (i.e. review and approval of proposed sale(s) of any units of property projects to the Company's interested persons and/or relatives of a Director, CEO or controlling shareholder) and related party transactions; and
- reviewing and approving the property development which are not meant for personal use for Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee[1].

Note:

(1) *This is following a review done by the Board in 2014 regarding the Group's procedures in relation to the conflict of interest. The Board resolved that Mr Koh Wee Seng, Ms Koh Lee Hwee and Ms Ko Lee Meng (collectively the "**Relevant Directors**") are allowed to purchase any property for investment and invest in any property companies so long as they are not the Directors of the property companies. However, for any property development which are not meant for personal use, the Relevant Directors must seek the AC's approval.*

The AC has been given full access to Management and has reasonable resources to enable it to discharge its functions properly. The AC has full discretion to invite any Director or KMP to attend its meetings. The AC has full access to the external auditors and has met with them at least once during the calendar year without the presence of Management.

The AC has reviewed all the non-audit services provided by the external auditors and is satisfied that the provision of such services did not affect their independence.

The AC will undertake a review of the scope of services provided by the external auditors, the independence and the objectivity of the external auditors on an annual basis. Ernst & Young LLP, the external auditors of the Company, has confirmed that they are a Public Accounting Firm registered with the Accounting and Corporate Regulatory Authority and provided a confirmation of their independence to the AC. The AC had assessed the external auditors based on factors such as performance, adequacy of resources and experience of their audit engagement partner and audit team assigned to the Group's audit, given the size and complexity of the Group.

The Company has complied with Rules 712 and 715 (read with Rule 716) of the Listing Manual of the SGX-ST in appointing the audit firms for the Group. The AC and the Board confirmed that they are satisfied that the appointment of different auditors for its subsidiaries and significant associated companies and joint ventures does not compromise the standard and effectiveness of the audit of the Company. No former partner or director of the Company's existing auditing firm is a member of the AC (a) within a period of two (2) years commencing on the date of their ceasing to be a partner or director of the audit firm; or (b) hold any financial interest in the audit firm.

AUDIT COMMITTEE (cont'd)

Principle 10: Establishment of Audit Committee with written terms of reference (cont'd)

Any changes to Accounting Standards and issues which have a direct impact on the financial statements would be raised by the external auditors, keeping the AC members abreast of such changes.

The AC has recommended that Messrs Ernst & Young LLP be nominated for re-appointment as the Company's auditors at the forthcoming AGM of the Company. A breakdown of the audit and non-audit fees paid to the external auditors can be found under the section entitled "Notes to the Financial Statements - 8. Loss before tax" of this Annual Report.

The Company has put in place a whistleblowing policy, endorsed by the AC, where employees of the Company may in confidence, raise concerns about the possible wrongdoing or malpractice within the Group and ensure arrangements are in place for the independent investigations of such matters and for appropriate follow up actions. All whistle-blowing reports are to be sent to the Chairman of the AC, who coordinates all investigations with the legal advisors and other affected areas, both internal and external.

The Company clearly communicates with employees, the existence of the whistle-blowing policy which is in compliance with Rule 1207(18B) of the Listing Manual as elaborated below:

(a) the Company has procedures for raising such concerns to the AC Chairman and has an independent function comprising the AC Chairman who coordinates all investigations with the legal counsels and other affected areas, both internal and external to investigate whistleblowing reports made in good faith;

(b) the Company has clear channels through which staff and other persons may, in confidence, raise their concerns about possible improprieties, fraudulent activities or malpractices within the Company in a responsible and effective manner;

(c) the Company has arrangements and processes to facilitate independent investigation of such concerns and for appropriate follow-up action;

(d) the Company has confidentiality clauses that protect identification of the whistleblower and ensures that the identity of the whistleblower is kept confidential; and

(e) the Company is committed to ensuring the protection of the whistleblower against any detrimental and unfair treatment, for reports made in good faith and without malice.

There were no reported incidents pertaining to whistle-blowing for FY2023.

SHAREHOLDERS RIGHTS AND ENGAGEMENT

Principle 11: Shareholders rights, conduct of general meetings and assessment of Company's performance, position and prospects

Principle 12: Engagement with shareholders

The Company does not have an Investor Relations Policy. However, the Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNet on timely manner, in line with the Group's disclosure obligations pursuant to the Listing Manual of the SGX-ST and the Companies Act. There is no dedicated investor relations team in place as the Board is of the view that the current communication channels are sufficient and cost-effective.

SHAREHOLDERS RIGHTS AND ENGAGEMENT (cont'd)

Principle 11: Shareholders rights, conduct of general meetings and assessment of Company's performance, position and prospects (cont'd)

Principle 12: Engagement with shareholders (cont'd)

The Board is mindful of the obligation to provide timely and fair disclosure of material information. The Board is accountable to the shareholders while the Management is accountable to the Board. The Management currently provides the Board with management accounts of the Group's position, performance and prospects on a quarterly basis and as and when deemed necessary, and the Board provides shareholders with an assessment of the Company's performance, position and prospects periodically via announcements of financial results and other ad-hoc announcements as required by the SGX-ST. The Board has taken adequate steps to ensure that there is compliance towards the legislative and regulatory requirements. The Board seeks the confirmation of the Company's legal advisors, if necessary, before deciding on significant matters.

Results and other material information are released through SGXNet on a timely basis for the dissemination to shareholders and public in accordance with the requirements of the SGX-ST. To ensure the fairness and effectiveness of the market, there is no selective disclosure of unpublished price-sensitive information. When there is inadvertent disclosure made to a selected group on a rare occasion, the information will be released to the public via SGXNet as promptly as possible.

Printed copies of the notice of AGM (the "**Notice**") and the Proxy Form will be sent to the shareholders but printed copies of the Company's Annual Report and Appendix I will not be sent to shareholders. Instead, it will be sent to shareholders by electronic means via publication on the Company's website and made available on the SGXNet at least 14 calendar days before the meeting (excluding the date of notice and the date of meeting). Shareholders have the right to elect whether to receive the Annual Report and Appendix I in physical copies by completing the request form which is sent together with the Notice ("**Request Form**"). Please refer to and read the instructions set out in the Request Form carefully.

All registered shareholders are invited to attend the general meetings to put forth any questions they may have on the motions to be tabled and decided upon. All shareholders are entitled to vote in accordance with the established voting rules and procedures at the AGM. Each share is entitled to one vote. Matters which require shareholders' approval were presented and proposed as a separate resolution. The resolutions are not bundled or made inter-conditional on each other, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the Company will explain the reasons and material implications in the notice of meeting. The Company practices having separate resolutions at general meetings for each distinct issue. Each item of special business in the notice of general meeting is accompanied by an explanatory note, where appropriate.

All Directors, the Management, the Company Secretary, external auditors and legal advisors (if necessary) attend the general meetings of the Company. The procedures of the general meetings provide shareholders the opportunity to ask questions relating to each resolution tabled for approval. Shareholders are encouraged to provide their views on matters relating to the Company. All Directors attended the AGM held on 28 April 2023. The Company's external auditors, Ernst & Young LLP, were also present at the AGM and were available to assist the Directors in addressing any relevant queries by the shareholders relating to the conduct of the audit and the preparation and content of the auditor's report.

Voting in absentia such as voting via mail, electronic mail or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of shareholders through the web is not compromised.

The forthcoming AGM to be held in respect of FY2023 ("**2024 AGM**"), will be convened and held physically at Aspial One, 55 Ubi Avenue 3 Level 1, Singapore 408864 on 29 April 2024. Shareholders will be able to raise questions and vote in person at the 2024 AGM. Arrangements relating to the attendance and voting at the 2024 AGM by shareholders or their duly appointed proxy(ies), are set out in the Notice of AGM and Proxy Form.

SHAREHOLDERS RIGHTS AND ENGAGEMENT (cont'd)

Principle 11: Shareholders rights, conduct of general meetings and assessment of Company's performance, position and prospects (cont'd)

Principle 12: Engagement with shareholders (cont'd)

The Company Secretary prepares detailed minutes of the general meetings which include substantial and relevant comments or queries from shareholders relating to the agendas of the meetings, and responses from the Board and Management. These minutes are subsequently approved by the Board and make available to shareholders during office hours at the registered office. The minutes will be posted on the Group's website as soon as practicable. All material information relating to the Group is disclosed in an accurate and timely manner through publication on SGXNet and is made available to everyone, including the shareholders.

For greater transparency, the Company will put all resolutions to vote by poll at general meetings and an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be made on the same day.

The Company currently does not have a fixed dividend policy. The form, frequency and amount of declaration and payment of future dividends that the Directors may recommend or declare in respect of any particular financial year or period will take into consideration the Group's retained earnings and expected future earnings, operations, cash flow, capital requirements and general financing condition, as well as general business conditions and other factors which the Directors may deem appropriate. The Company may declare final dividends by way of an ordinary resolution of the shareholders at a general meeting, but may not pay final dividends in excess of the amount recommended by the Directors. The declaration and payment of final dividends will be determined at the sole discretion of the Directors, subject to the approval of the shareholders. The Directors may also declare an interim dividend without the approval of the shareholders. Future dividends will be paid by the Company as and when approved by the Directors and the shareholders (if necessary). Any dividend payments are clearly communicated to shareholders via announcements on SGXNet.

Apart from the SGXNet announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website (www.aspial.com).

The Company prepares its financial statements in accordance with the Singapore Financial Reporting Standards (International) prescribed by the Accounting Standards Council. In presenting the annual financial statements and announcements of financial results, the Board ensures it has taken adequate steps to ensure compliance with the legislative and regulatory requirements including the Listing Manual of the SGX-ST. The Board also aims to provide shareholders with a balanced and understandable assessment of the Group's performance, financial position and prospect.

Management provides the Board with appropriate detailed management accounts of the Group's performance, position and prospect on a regular basis. The Board will update the shareholders on the financial positions and operations of the Company and the Group financial results announcements periodically as well as timely announcement of other matters required by the relevant rules and regulations.

MANAGING STAKEHOLDER RELATIONSHIPS

Principle 13: Engagement with stakeholders

The Group takes a strategic and pragmatic approach in managing stakeholders' expectations to support its long-term strategy. A sustainability governance structure and framework was put in place to identify, engage with, and manage material environment, social and governance factors which are important to stakeholders and to the Group.

The Group's sustainability efforts and performance will be discussed in more details in the separate sustainability report. The Group will publish its sustainability report via SGXNet and the Company's corporate website.

The Group maintains a website at www.aspial.com to communicate and engage with stakeholders.

DEALING IN SECURITIES

The Company has adopted an internal Code of Best Practice to provide to the Directors and all employees of the Group with regard to dealing in the Company's securities pursuant to Rule 1207(19) of the Listing Manual of the SGX-ST. During the financial year, the Company issues memos to its Directors, officers and employees prohibiting dealing in its shares commencing one (1) month before the announcement of half year and full year financial results and ending on the date of the announcement of the relevant results. Directors and employees are also advised against dealing in the securities when they are in possession of any unpublished material price-sensitive information of the Group at all times.

In addition, the Company discourages the Directors, KMP and employees of the Group from dealing in the Company's securities on short term considerations. The Group confirmed that it adhered to its Code of Best Practice for FY2023.

The guidelines on share purchase in accordance with the Share Purchases Mandate which will be renewed at the forthcoming AGM of the Company also provides that the Company will not repurchase any shares during the period commencing one (1) month before the announcement of the Company's half year and full year financial results and ending on the date of the announcement of the relevant results.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transactions with interested persons and has set out the procedures for review and approval of the Company's interested person transactions ("**IPTs**"). All IPTs are subject to review by the AC when a potential conflict of interest arises and the Director concerned does not participate in discussions and refrained from exercising any influence over other members of the Board.

The aggregate value of IPTs above S$100,000 entered into during the financial year under review is as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)
Corporate charges		
Aspial Lifestyle Limited and its subsidiaries ("**ALL Group**")	An associate of the Company's controlling shareholder*	109
AF Global Limited and its subsidiaries ("**AFG Group**")		399
Provision of an interest charged for the loan from WCL (QLD) Margaret St Pty. Ltd.		
WCL (QLD) Margaret St Pty. Ltd.	An associate of the Company's controlling shareholder*	255
Exchange offer from Series 007 Notes, Series 008 Notes and Series 009 Notes ("Existing Notes") to Perpetual Securities		
Mr Koh Wee Seng, his spouse and child	Controlling shareholder* and its associate	69,086 (1)
Ms Koh Lee Hwee		707 (1)
Ms Ko Lee Meng and her child		6,336 (1)
Madam Tan Su Lan		10,197 (1)
Mr Koh Wee Meng		90,686 (1)
MLHS Holdings Pte. Ltd.		4,950 (1)

INTERESTED PERSON TRANSACTIONS (cont'd)

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)
Exchange offer from Existing Notes to 6.50 per cent. Notes due 2025		
Ms Koh Lee Hwee, her spouse and children	Controlling shareholder* and its associate	1,170
DN Global Pte. Ltd.		357
AFG Group		390
Ms Ko Lee Meng		293
Ms Goh Bee Leong	Director	130
Sales and purchase of jewellery		
ALL Group	An associate of the Company's controlling shareholder*	164
Lease of premises		
AL Capital (Ubi) Pte. Ltd.	An associate of the Company's controlling shareholder*	574
Provision of interest free loan		
Kensington Village Pte. Ltd.	An associate of the Company's controlling shareholder*	1,232
Cancellation of the sale and purchase agreement for the purchase of property unit of Australia 108 by the Purchaser		
Ms Koh Lee Hwee and her spouse	Controlling shareholder* and its associate	3,192
Corporate guarantee provided by the Company		
Bayfront Ventures Pte. Ltd.	An associate of the Company's controlling shareholder*	31,000

** The term "controlling shareholder" shall have the meaning ascribed to it in the SGX-ST Listing Manual.*

(1) This comprises the sum of the aggregate principal amount of the Existing Notes, accrued interest on the Existing Notes and dividend payable up to the First Reset Date on the Perpetual Securities issued in exchange for the Existing Notes held by the Interested Persons.

For the purposes of Rules 905(2) and 906(1)(b) of the Listing Manual of the SGX-ST, the interested persons are treated as the same interested person and the transactions entered into between the Group and such interested persons are aggregated in determining whether the designated financial thresholds under Rules 905(2) and 906(1)(b) of the Listing Manual of the SGX-ST are triggered.

The Company does not have a general mandate from shareholders for IPTs.

MATERIAL CONTRACTS

Saved as disclosed above in the section entitled "Interested Person Transactions" and in the financial statements of the Company, there were no material contracts of the Group involving the interest of the CEO, Directors or controlling shareholders subsisting at the end of FY2023 or have been entered into since the end of the previous financial year.

BOARD OF DIRECTORS

Name and Age of Director	Appointment Position	Date of first appointment as a Director	Date of last re-election as a Director	Length of Service as a Director (as at 31 December 2023)	Board Committee(s) Served on	Present Directorships in other Listed Companies	Past Directorships in listed companies held over the preceding three years (from 1 January 2021 to 31 December 2023)	Academic and Professional Qualifications
Koh Wee Seng 55	Executive Director and Chief Executive Officer	9 October 1989	30 April 2021	34 years 3 months	Nominating Committee (member)	Aspial Lifestyle Limited AF Global Limited	World Class Global Limited (Delisted with effect from 30 July 2021)	Bachelor of Business Administration, National University of Singapore
Koh Lee Hwee 57	Executive Director	15 August 1988	30 April 2021	35 years 5 months	Nil	Nil	Aspial Lifestyle Limited World Class Global Limited (Delisted with effect from 30 July 2021	Bachelor of Arts, National University of Singapore
Ko Lee Meng 62	Non-Executive and Non-Independent Director	1 May 1987	28 April 2023	36 years 8 months	Audit Committee (member) Remuneration Committee (member)	Aspial Lifestyle Limited	Nil	Bachelor of Arts, National University of Singapore
Wong Soon Yum 79	Lead Independent Director	27 May 1999	29 April 2022	24 years 8 month	Audit Committee (Chairman) Nominating Committee (member) Remuneration Committee (member)	Nil	Nil	Professional Diploma in Accountancy, Singapore Polytechnic; Executive Programme, Stanford-National University of Singapore

BOARD OF DIRECTORS (cont'd)

Name and Age of Director	Appointment Position	Date of first appointment as a Director	Date of last re-election as a Director	Length of Service as a Director (as at 31 December 2023)	Board Committee(s) Served on	Present Directorships in other Listed Companies	Past Directorships in listed companies held over the preceding three years (from 1 January 2021 to 31 December 2023)	Academic and Professional Qualifications
Ong Tuen Suan(1) 58	Independent and Non-Executive Director	29 April 2023	Nil	8 months	Nominating Committee (Chairman) Audit Committee (member) Remuneration Committee (member)	Nil	World Class Global Limited (Delisted with effect from 30 July 2021) AF Global Limited	Bachelor of Economics, Monash University Fellow of CPA Australia
Goh Bee Leong(2) 69	Independent and Non-Executive Director	31 October 2023	Nil	2 months	Remuneration Committee (Chairman) Audit Committee (member) Nominating Committee (member)	Nil	Aspial Lifestyle Limited Haw Par Healthcare Limited	Bachelor of Science (Pharmacy), University of Singapore

(1) Mr Ong Tuen Suan was appointed as an Independent Director on 29 April 2023.

(2) Ms Goh Bee Leong was appointed as an Independent Director on 31 October 2023.

FINANCIAL REPORT

Aspial One Lobby

DIRECTORS' STATEMENT

The directors hereby present their statement to the members together with the audited consolidated financial statements of Aspial Corporation Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2023.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date, and

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

Directors

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

Koh Wee Seng
Koh Lee Hwee
Ko Lee Meng
Wong Soon Yum
Ong Tuen Suan (Appointed on 29 April 2023)
Goh Bee Leong (Appointed on 31 October 2023)

In accordance with Regulation 104, 105 and 108 of the Company's Constitution, and/or Rule 720(5) of the Listing manual of the Singapore Exchange Securities Trading Limited, Wong Soon Yum, Koh Wee Seng, Koh Lee Hwee, Ong Tuen Suan and Goh Bee Leong are eligible for re-election by the shareholders at the forthcoming annual general meeting (the "**AGM**"). Koh Wee Seng, Koh Lee Hwee, Ong Tuen Suan and Goh Bee Leong had offered themselves for re-election as a Director of the Company. Wong Soon Yum will retire at the forthcoming AGM and does not wish to seek for re-election as a Director of the Company.

Arrangements to enable directors to acquire shares or debentures

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

Directors' interest in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in the shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest held by directors *			Other shareholdings in which directors are deemed to have an interest		
	1 January 2023 or date of appointment	31 December 2023	21 January 2024	1 January 2023 or date of appointment	31 December 2023	21 January 2024
The Company						
Aspial Corporation Limited						
Ordinary shares						
Koh Wee Seng	406,595,923	418,655,472	418,655,472	1,166,083,944	1,209,594,537	1,209,594,537
Koh Lee Hwee	30,890,888	30,890,888	30,890,888	1,204,402,032	1,247,707,314	1,247,707,314
Ko Lee Meng	33,639,865	33,639,865	33,639,865	1,161,736,475	1,205,041,757	1,205,041,757
Goh Bee Leong	58,575	58,575	58,575	–	–	–
Holding company						
MLHS Holdings Pte. Ltd.						
Ordinary shares						
Koh Wee Seng	1,410,000	1,410,000	1,410,000	–	–	–
Koh Lee Hwee	727,500	727,500	727,500	–	–	–
Ko Lee Meng	772,500	772,500	772,500	–	–	–
Subsidiaries						
WCL (QLD) Margaret St Pty. Ltd.						
Ordinary shares						
Koh Wee Seng	5,100,000	2,740,000	2,740,000	16,575,000	8,905,000	8,905,000
Koh Lee Hwee	–	–	–	19,125,000	10,275,000	10,275,000
Ko Lee Meng	1,275,000	685,000	685,000	16,575,000	8,905,000	8,905,000
Aspial Lifestyle Limited						
Ordinary shares						
Koh Wee Seng	112,684,121	109,156,853	109,156,853	975,586,698	1,012,396,513	1,012,396,513
Koh Lee Hwee	28,196,664	28,196,664	28,196,664	982,690,192	1,019,500,007	1,019,500,007
Ko Lee Meng	17,581,376	17,581,376	17,581,376	976,768,192	1,013,578,007	1,013,578,007
World Class Land Pte. Ltd.						
Ordinary shares						
Koh Wee Seng	250,000	250,000	250,000	4,500,000	4,500,000	4,500,000
Koh Lee Hwee	–	–	–	4,500,000	4,500,000	4,500,000
Ko Lee Meng	–	–	–	4,500,000	4,500,000	4,500,000
Associate						
AF Global Limited						
Ordinary shares						
Koh Wee Seng	8,629,075	8,629,075	8,629,075	441,857,365	441,857,365	441,857,365
Koh Lee Hwee	182,000	182,000	182,000	440,948,535	440,948,535	440,948,535
Ko Lee Meng	4,761,280	4,761,280	4,761,280	441,593,335	441,593,335	441,593,335

* Including interest in nominee account

Directors' interest in shares or debentures (Continued)

By virtue of Section 7 of the Singapore Companies Act 1967, Koh Wee Seng, Koh Lee Hwee and Ko Lee Meng are deemed to have an interest in the shares of all the subsidiaries to the extent held by the Company.

At the beginning of the financial year or date of appointment, Koh Wee Seng, Koh Lee Hwee, Ko Lee Meng and Goh Bee Leong held medium-term notes of the Company and its subsidiaries aggregating $40,250,000, $4,750,000, $6,500,000 and $1,250,000 respectively. As at the end of the financial year, Koh Wee Seng, Koh Lee Hwee, Ko Lee Meng and Goh Bee Leong held medium-term notes and perpetual securities aggregating $40,000,000, $4,000,000, $6,500,000 and $1,250,000 respectively. The medium-term notes aggregating to $1,250,000 and $6,750,000 bear fixed interest rates of 6.05% and 6.50% per annum and are due in 2025. The perpetual securities aggregating to $43,750,000 bear distribution rate of 6.50% per annum for the first 3 years (i.e. from (and including) the date of issuance to (but excluding) the step-up date), and a distribution rate of 6.70% per annum for the next 2 years (i.e. from (and including) the step-up date to (but excluding) the first reset date). If the Perpetual Securities are not redeemed on the first reset date (being the date falling 5 years from date of issuance), the distribution rate will be reset on the first reset date and every five years thereafter.

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, date of appointment or at the end of the financial year.

Options

No options were issued by the Company during the financial year. As at 31 December 2023, there are no options on the unissued shares of the Company or any other body corporate which were outstanding.

Audit committee

The Audit Committee performed the functions in accordance with Section 201B (5) of the Singapore Companies Act 1967. The functions performed are detailed in the Corporate Governance Report.

Auditor

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

On behalf of the Board of Directors:

Koh Wee Seng
Director

Koh Lee Hwee
Director

Singapore
1 April 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Aspial Corporation Limited for the financial year ended 31 December 2023

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aspial Corporation Limited (the "**Company**") and its subsidiaries (collectively, 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 2023, consolidated statement of changes in equity of the Group and the statement of changes in equity of the Company and the consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

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

Key audit matters

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

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

Assessment of carrying values of development properties, properties held for sale and hotel properties included in property, plant and equipment

As at 31 December 2023, the Group's development properties, properties held for sale and hotel properties included in property, plant and equipment amounted to $149,702,000, $153,028,000 and $67,959,000 respectively, which in aggregate represented 23.2% of the Group's total assets. As at 31 December 2023, hotel properties are located outside of Singapore, whilst properties held for sale and development properties are located in and outside of Singapore.

For development properties, a significant proportion of these development properties relate to projects that are in planning phases and have not been launched or completed as at 31 December 2023. In ascertaining net realisable value ("**NRV**"), significant judgement is involved as management either needs to estimate the expected selling price and the estimated costs to complete construction based on the outlook of the future property market and economic conditions in the respective markets, or use external appraisers to support its determination of market prices.

Key audit matters (Cont'd)

Assessment of carrying values of development properties, properties held for sale and hotel properties included in property, plant and equipment (Cont'd)

For properties held for sale, in ascertaining NRV, significant judgement is involved as management either needs to estimate the expected selling price based on the current property market and economic conditions in the respective markets, or use external appraisers to support its determination of market prices.

For hotel properties, the Group follows the guidance in SFRS(I) 1-36 *Impairment of Assets* in determining whether it is necessary to recognise any impairment. Management exercises significant judgement in determining whether there is any indication that the hotel properties may be impaired. If there is any indication of impairment, significant judgement is involved as management needs to estimate the recoverable amounts of these hotel properties based on the current property market and economic conditions in the respective markets, or use external appraisers to support its determination of market prices.

Given the magnitude of these assets and significant estimation uncertainty involved in determining the NRV of development properties, properties held for sale and hotel properties, we have identified the assessment of carrying values of development properties, properties held for sale and hotel properties as a key audit matter.

To address the risk of material misstatement relating to the carrying values of development properties, properties held for sale and hotel properties, our audit procedures included, amongst others, inquiry of management on the existence of any indicators that the NRV or recoverable amounts are lower than their respective costs. We assessed the reasonableness of the estimated selling prices, taking into account the market prices for similar properties in the respective markets, where applicable. We also performed sensitivity analysis on the recoverable value by simulating reasonable changes in the key assumptions in light of the increased estimation uncertainty in rapid changes in market and economic conditions. Where management used external appraisers to support its determination of estimated selling prices, we evaluated the objectivity, competence and capabilities of the appraisers. We also involved our internal real estate specialists in assessing the appropriateness of the valuation method and certain key assumptions used in the valuations.

In addition to the above procedures, in assessing the appropriateness of management's NRV assessment of the development properties and impairment assessment of the hotel properties, we performed procedures to evaluate the reasonableness of the estimated costs of completing the development properties and hotel properties under construction. We obtained an understanding of the Group's internal controls with respect to project budgeting and monitoring process and inquired with management on the development status of on-going and significant projects. We also examined documentation of the progress of material projects such as costs incurred to-date, estimated costs to complete and timing of completion.

Further, we assessed the adequacy of disclosures related to development properties, properties held for sale and hotel properties in Note 2.18 Development properties, Note 2.19 Properties held for sale, Note 2.10 Property, plant and equipment, Note 3.2(a) Estimation of net realisable value for development properties, Note 3.2(b) Estimation of net realisable value for properties held for sale, Note 3.2(c) Impairment of hotel properties, Note 19(a) Development properties, Note 19(b) Properties held for sale and Note 10 Property, plant and equipment to the financial statements.

Allowance for expected credit losses on pawnshop loans and interest receivables of the Group's financial service segment

Trade receivables, in particular pawnshop loans and interest receivables on pawnshop loans, are significant to the Group. The collectability of trade receivables is a key element of the Group's working capital management.

The Group uses a provision matrix to estimate the allowance for expected credit losses ("**ECLs**") on pawnshop loans and interest receivables on pawnshop loans. The key inputs of the Group's ECLs model are the probability of default and loss given default. The Group has estimated the probability of default being the forfeiture of the customers' pledges based on historical non-redemption data of its pawnshop outlets and estimated future non-redemption rate on open pledges taking into account the current economic environment. The Group has estimated the loss given default as the amount of loss exposure at default after considering the expected realisable value of the customers' pledges.

Key Audit Matters (Cont'd)

Allowance for expected credit losses on pawnshop loans and interest receivables of the Group's financial service segment (Cont'd)

Significant judgement and estimation are involved in using the historical non-redemption data to derive the probability of default, estimating the expected realisable value of customers' pledges as well as considering any forward-looking information. Accordingly, we have identified the Group's ECL assessment on pawnshop loans and interest receivables on pawnshop loans from the Group's pawnbroking segment of financial service business as a key audit matter.

As part of our audit, we tested the reasonableness of the key inputs and assumptions used by the Group in the ECLs model which is largely dependent on the Group's historical loss experience and loan-to-valuation data. We reviewed and tested the overall process and key controls relating to the collection of non-redemption data used in the ECLs model including checking the arithmetic accuracy of the probability of default. We also analysed historical trend of expected realisable value of the customers' pledges and considered forward-looking macroeconomic factors, taking into consideration the economic environment and external information, that may affect the recoverability of the pawnshop loans and related interest receivables. Furthermore, we assessed the adequacy of the disclosures related to trade receivables in Note 20 to the financial statements.

Existence of pledges, cash and inventories

The total carrying amounts of pledges, cash and inventories are material to the financial statements, and there is a higher inherent risk of theft and pilferage.

As part of our audit, we obtained an understanding of the internal controls with respect to the physical safeguards over pledges, cash and inventories. We tested selected internal controls over cash receipts and disbursements, bank reconciliation reviews and movement of inventories. We obtained bank confirmations and an understanding of management's monitoring of cash balances, including monitoring of outlet cash float, physical transfer of cash between outlets and head office, and reconciliation of outlet cash flows to the pledge movements.

On a sample basis, we attended and observed surprise outlet audits on daily cash counts and inventory counts at selected outlets. We obtained an understanding of the internal controls with respect to the physical safeguards over pledges and inventories. We performed verification of pledges by taking a sample of pledges held on open pawn tickets and matched details of pledges to the physical pledges during our planned and surprise visits to the outlets. We also attended the year-end inventory count and cash count conducted at head office.

We assessed the adequacy of the disclosures relating to cash and bank balances, trade receivables (which comprise mainly pawnshop loans related to pledges held as collateral) and inventories in Notes 23, 20 and 18 respectively, to the financial statements.

Valuation of investment properties

As at 31 December 2023, the Group's investment properties amounted to $107,838,000, which represented 6.7% of the Group's total assets. These investment properties are located in Singapore, Australia and Malaysia.

Management has engaged independent external appraisers to assist the Group in determining the fair values of these investment properties. Given the magnitude of these assets and the significant estimation uncertainties involved in determining the fair values of investment properties, we have identified the assessment of valuation of investment properties as a key audit matter. In addition, as disclosed and explained in more detail in Note 3.2(e) Valuation of investment properties, there was an increase in the level of estimation uncertainty in determining the fair value of the investment properties as at 31 December 2023 arising from rapid changes in market and economic conditions.

Key Audit Matters (Cont'd)

Valuation of investment properties (Cont'd)

To address the risk of material misstatement relating to the valuation of investment properties, our audit procedures included, amongst others, updating our understanding of the process and key controls over the Group's valuation process. We reviewed management's valuation of the investment properties and assessed the appropriateness of the valuation methodology in accordance with the requirements of SFRS(I) 13 Fair Value Measurement, evaluated the objectivity and competency of the external appraiser and read the terms of engagement to determine whether there were any limitation in the scope of work or matters that might affect the objectivity of the external appraiser. In addition, we inquired with the external appraiser and obtained explanations to support the selection of valuation method, valuation adjustments made in light of the increased estimation uncertainty as well as the key assumptions including the indicative values of comparable properties and involved our internal real estate specialists in assessing the reasonableness of the valuation assumptions and inputs used by management as disclosed in Note 37(d) to the financial statements.

Further, we assessed the adequacy of disclosures related to investment properties in Note 2.11 Investment Properties, Note 3.2(e) Valuation of investment properties, Note 11 Investment Properties, in relation to the financial statements.

Acquisition of subsidiaries

On 3 January 2023, the Group has completed the acquisition of 65% stake of the issued share capital of Maxion Holdings Sdn. Bhd. ("**Maxion Group**") for a purchase consideration of up to $8,812,000 which comprise cash and earn-out consideration payable in accordance with the terms of the Acquisition Agreement. The acquisition of Maxion Group was accounted for using the acquisition method and the Group performed a purchase price allocation ("**PPA**") exercise as disclosed in Note 13 to the financial statements.

Significant judgement and estimates were made in the PPA exercise on the identification of intangible assets, valuation of the acquired assets and liabilities and measurement of the earn out consideration and fair value of derivative liabilities as part of the purchase consideration. Given the quantitative materiality of this acquisition, the significant management judgement required in the PPA exercise, we considered the accounting for the acquisition of Maxion Group as a key audit matter.

In auditing the accounting for the acquisition, we read the relevant agreements to obtain an understanding of the transaction and the key terms. We corroborated the identification of the intangible assets based on discussion with management and our understanding of the Maxion Group. We assessed the competency, capabilities and objectivity of the external valuers by considering their professional background, reputation and experience in similar industry. We engaged our internal valuation specialists to assist us in reviewing the appropriateness of the valuation methodology used by management in the fair valuation of acquired assets and liabilities, including determining whether the assumptions used in valuing the acquired intangible assets were consistent with what a market participant would use. We also assessed the adequacy and appropriateness of the disclosures in Note 13 to the financial statements.

Other information

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

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

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

Responsibilities of management and directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

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

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

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

Auditor's responsibilities for the audit of the financial statements (Cont'd)

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

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

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

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Tan Peck Yen.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
1 April 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

	Note	2023	2022
		$'000	$'000
Revenue	4	599,998	506,236
Materials and subcontract costs		(398,777)	(307,739)
Employee benefits	5	(71,507)	(67,749)
Depreciation and amortisation		(33,937)	(33,255)
Finance costs	6	(53,302)	(42,917)
Other operating expenses		(81,860)	(81,243)
Interest income		978	1,335
Rental income		6,395	5,936
Other income	7	8,412	14,817
Share of results of associates	14	5,084	1,108
Share of results of a joint venture		(15)	(34)
Loss before tax	8	(18,531)	(3,505)
Income tax credit/(expense)	28(a)	1,431	(8,241)
Loss for the year		(17,100)	(11,746)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net fair value changes on equity instruments at fair value through other comprehensive income ("**FVOCI**")		(2,927)	(1,107)
Share of other comprehensive income of an associate		(1,842)	(2,140)
Items that may be reclassified subsequently to profit or loss			
Net fair value changes on debt instruments at FVOCI		(64)	43
Net loss on cash flow hedge		(1,209)	(70)
Foreign currency translation		(1,432)	(12,775)
Share of other comprehensive income of associates		(411)	(2,366)
Other comprehensive income for the year, net of tax		(7,885)	(18,415)
Total comprehensive income for the year		(24,985)	(30,161)
(Loss)/profit for the year attributable to:			
Owners of the Company		(23,540)	(14,710)
Holders of perpetual securities		1,300	–
Non-controlling interests		5,140	2,964
		(17,100)	(11,746)
Total comprehensive income attributable to:			
Owners of the Company		(31,106)	(32,151)
Holders of perpetual securities		1,300	–
Non-controlling interests		4,821	1,990
		(24,985)	(30,161)
Loss per share (cents)			
Basic and diluted			
i) after distribution to perpetual securities holders	9	(1.08)	(0.68)
ii) before distribution to perpetual securities holders	9	(1.02)	(0.68)

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

STATEMENTS OF
FINANCIAL POSITION
As at 31 December 2023

	Note	Group		Company	
		2023	2022	2023	2022
		$'000	$'000	$'000	$'000
Non-current assets					
Property, plant and equipment	10	205,448	205,662	1	2
Investment properties	11	107,838	142,462	–	–
Intangible assets	12	15,965	10,898	61	102
Right-of-use assets	27(a)	86,179	84,566	–	–
Investment in subsidiaries	13	–	–	278,465	280,817
Investment in associates	14	119,863	117,144	76,529	76,529
Investment in a joint venture	15	–	685	–	–
Investment securities	17	2,201	4,183	–	–
Trade and other receivables	20	4,268	4,340	–	–
Deferred tax assets	28(c)	2,462	2,043	8	–
		544,224	571,983	355,064	357,450
Current assets					
Inventories	18	196,281	196,059	–	–
Development properties	19(a)	149,702	163,705	–	–
Properties held for sale	19(b)	153,028	221,769	–	–
Trade and other receivables	20	490,827	395,574	28	49
Prepayments		3,241	5,019	8	35
Due from subsidiaries (non-trade)	21	–	–	280,276	162,182
Due from associates	21	3,152	2,279	112	5
Due from a joint venture (non-trade)	21	–	–*	–	–
Investment securities	17	2,821	3,620	–	–
Derivatives	22	1,518	754	–	–
Cash and bank balances	23	53,843	53,521	1,450	3,358
		1,054,413	1,042,300	281,874	165,629
Total assets		1,598,637	1,614,283	636,938	523,079
Current liabilities					
Trade and other payables	24	144,985	101,739	15,467	20,503
Due to immediate holding company (non-trade)	21	–	1,650	–	1,650
Due to subsidiaries (non-trade)	21	–	–	30,975	35,495
Due to an associate (non-trade)	21	79	117	–	–
Provision for taxation		8,852	17,306	621	243
Derivatives	22	2,804	1,525	–	–
Interest-bearing loans and borrowings	25	502,540	546,708	–	8,100
Lease liabilities	27(b)	22,975	22,550	–	–
Medium-term notes	26	15,480	–	–	–
		697,715	691,595	47,063	65,991
Net current assets		356,698	350,705	234,811	99,638

STATEMENTS OF
FINANCIAL POSITION
As at 31 December 2023

	Note	Group 2023	Group 2022	Company 2023	Company 2022
		$'000	$'000	$'000	$'000
Non-current liabilities					
Other payables	24	656	4,912	–	–
Interest-bearing loans and borrowings	25	200,839	170,879	–	–
Lease liabilities	27(b)	65,470	64,560	–	–
Medium-term notes	26	105,104	253,468	46,340	50,000
Deferred tax liabilities	28(c)	25,707	32,503	–	11
		397,776	526,322	46,340	50,011
Total liabilities		1,095,491	1,217,917	93,403	116,002
Net assets		503,146	396,366	543,535	407,077
Equity attributable to owners of the Company					
Share capital	29(a)	272,066	267,574	272,066	267,574
Treasury shares	29(b)	(2,303)	(1,704)	(2,303)	(1,704)
Other reserves	29(c)	(56,347)	(48,493)	913	913
Revenue reserves		71,569	94,900	140,109	140,294
Ordinary equity		284,985	312,277	410,785	407,077
Perpetual securities	30	132,750	–	132,750	–
		417,735	312,277	543,535	407,077
Non-controlling interests		85,411	84,089	–	–
Total equity		503,146	396,366	543,535	407,077
Total equity and liabilities		1,598,637	1,614,283	636,938	523,079

* Less than $1,000

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

CHANGES IN EQUITY

For the financial year ended 31 December 2023

	Note	Attributable to owners of the Company								
		Share capital	Treasury shares	Other reserves	Revenue reserves	Equity attributable to owners of the Company	Perpetual Securities	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group										
At 1 January 2022		267,574	(1,482)	(30,828)	117,464	352,728	–	352,728	84,802	437,530
(Loss)/profit for the year		–	–	–	(14,710)	(14,710)	–	(14,710)	2,964	(11,746)
Other comprehensive income										
Net fair value changes on debt instruments at FVOCI		–	–	43	–	43	–	43	–	43
Net fair value changes on equity instruments at FVOCI		–	–	(748)	–	(748)	–	(748)	(359)	(1,107)
Net loss on cash flow hedge		–	–	(49)	–	(49)	–	(49)	(21)	(70)
Foreign currency translation		–	–	(12,181)	–	(12,181)	–	(12,181)	(594)	(12,775)
Share of other comprehensive income of associates		–	–	(4,506)	–	(4,506)	–	(4,506)	–	(4,506)
Other comprehensive income for the year, net of tax		–	–	(17,441)	–	(17,441)	–	(17,441)	(974)	(18,415)
Total comprehensive income for the year		–	–	(17,441)	(14,710)	(32,151)	–	(32,151)	1,990	(30,161)
Contributions by and distributions to owners										
Dividend on ordinary shares - Cash dividends	31	–	–	–	(5,416)	(5,416)	–	(5,416)	–	(5,416)
Dividend paid to non-controlling interests of subsidiaries										
- Cash dividends		–	–	–	–	–	–	–	(5,516)	(5,516)
Purchase of treasury shares	29(b)	–	(222)	–	–	(222)	–	(222)	–	(222)
Total contributions by and distributions to owners		–	(222)	–	(5,416)	(5,638)	–	(5,638)	(5,516)	(11,154)

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

	Note	Attributable to owners of the Company								
		Share capital	Treasury shares	Other reserves	Revenue reserves	Equity attributable to owners of the Company	Perpetual Securities	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group										
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests in a subsidiary without a change in control		–	–	(1,239)	–	(1,239)	–	(1,239)	804	(435)
Premium on dilution of interest in a subsidiary		–	–	(2,425)	–	(2,425)	–	(2,425)	2,425	–
Change in ownership interests in subsidiaries without a change in control		–	–	1,002	–	1,002	–	1,002	(416)	586
Total changes in ownership interests in subsidiaries		–	–	(2,662)	–	(2,662)	–	(2,662)	2,813	151
Total transactions with owners in their capacity as owners		–	(222)	(2,662)	(5,416)	(8,300)	–	(8,300)	(2,703)	(11,003)
Others										
Transfer from foreign currency translation reserve to fair value adjustment reserve and revenue reserve		–	–	2,438	(2,438)	–	–	–	–	–
Total others		–	–	2,438	(2,438)	–	–	–	–	–
At 31 December 2022		267,574	(1,704)	(48,493)	94,900	312,277	–	312,277	84,089	396,366

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

STATEMENTS OF

CHANGES IN EQUITY

For the financial year ended 31 December 2023

	Note	Attributable to owners of the Company								
		Share capital	Treasury shares	Other reserves	Revenue reserves	Equity attributable to owners of the Company	Perpetual Securities	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group										
At 1 January 2023		267,574	(1,704)	(48,493)	94,900	312,277	–	312,277	84,089	396,366
(Loss)/profit for the year		–	–	–	(23,540)	(23,540)	1,300	(22,240)	5,140	(17,100)
Other comprehensive income										
Net fair value changes on debt instruments at FVOCI		–	–	(64)	–	(64)	–	(64)	–	(64)
Net fair value changes on equity instruments at FVOCI		–	–	(2,769)	–	(2,769)	–	(2,769)	(158)	(2,927)
Net loss on cash flow hedge		–	–	(865)	–	(865)	–	(865)	(344)	(1,209)
Foreign currency translation		–	–	(1,615)	–	(1,615)	–	(1,615)	183	(1,432)
Share of other comprehensive income of associates		–	–	(2,253)	–	(2,253)	–	(2,253)	–	(2,253)
Other comprehensive income for the year, net of tax		–	–	(7,566)	–	(7,566)	–	(7,566)	(319)	(7,885)
Total comprehensive income for the year		–	–	(7,566)	(23,540)	(31,106)	1,300	(29,806)	4,821	(24,985)
Contributions by and distributions to owners										
Dividend on ordinary shares - Cash dividends		–	–	–	26	26	–	26	–	26
Dividend paid to non-controlling interests of subsidiaries										
- Cash and scrip dividends		–	–	–	–	–	–	–	(3,833)	(3,833)
Ordinary shares issued under scrip dividend		4,492	–	–	–	4,492	–	4,492	–	4,492
Issuance of perpetual securities		–	–	–	–	–	132,750	132,750	–	132,750
Distribution to holders of perpetual securities	30	–	–	–	–	–	(1,300)	(1,300)	–	(1,300)
Purchase of treasury shares	29(b)	–	(599)	–	–	(599)	–	(599)	–	(599)
Total contributions by and distributions to owners		4,492	(599)	–	26	3,919	131,450	135,369	(3,833)	131,536

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

For the financial year ended 31 December 2023

	Note	Attributable to owners of the Company								
		Share capital	Treasury shares	Other reserves	Revenue reserves	Equity attributable to owners of the Company	Perpetual Securities	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group										
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests in a subsidiary without a change in control		–	–	–	–	–	–	–	1,939	1,939
Premium on dilution of interest in a subsidiary		–	–	(210)	–	(210)	–	(210)	210	–
Change in ownership interests in subsidiaries without a change in control		–	–	105	–	105	–	105	286	391
Capital contribution from non-controlling interests		–	–	–	–	–	–	–	1,607	1,607
Capital reduction from non-controlling interests		–	–	–	–	–	–	–	(3,708)	(3,708)
Total changes in ownership interests in subsidiaries		–	–	(105)	–	(105)	–	(105)	334	229
Total transactions with owners in their capacity as owners		4,492	(599)	(105)	26	3,814	131,450	135,264	(3,499)	131,765
Others										
Transfer from foreign currency translation reserve to fair value adjustment reserve and revenue reserve		–	–	(183)	183	–	–	–	–	–
Total others		–	–	(183)	183	–	–	–	–	–
At 31 December 2023		272,066	(2,303)	(56,347)	71,569	284,985	132,750	417,735	85,411	503,146

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

STATEMENTS OF
CHANGES IN EQUITY
For the financial year ended 31 December 2023

	Note	Share capital $'000	Treasury shares $'000	Other reserves $'000	Revenue reserves $'000	Equity attributable to owners of the Company $'000	Perpetual Securities $'000	Total equity $'000
Company								
At 1 January 2022		267,574	(1,482)	913	60,062	327,067	–	327,067
Profit for the year, representing total comprehensive income for the year		–	–	–	85,648	85,648	–	85,648
Contributions by and distributions to owners								
Dividends on ordinary shares								
- Cash dividends	31	–	–	–	(5,416)	(5,416)	–	(5,416)
Purchase of treasury shares	29(b)	–	(222)	–	–	(222)	–	(222)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		–	(222)	–	(5,416)	(5,638)	–	(5,638)
At 31 December 2022		267,574	(1,704)	913	140,294	407,077	–	407,077
At 1 January 2023		267,574	(1,704)	913	140,294	407,077	–	407,077
Profit for the year, representing total comprehensive income for the year		–	–	–	(211)	(211)	1,300	1,089
Contributions by and distributions to owners								
Dividends on ordinary shares								
- Cash dividends		–	–	–	26	26	–	26
Ordinary shares issued under scrip dividend		4,492	–	–	–	4,492	–	4,492
Issuance of perpetual securities		–	–	–	–	–	132,750	132,750
Distribution to holders of perpetual securities	30	–	–	–	–	–	(1,300)	(1,300)
Purchase of treasury shares	29(b)	–	(599)	–	–	(599)	–	(599)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		4,492	(599)	–	26	3,919	131,450	135,369
At 31 December 2023		272,066	(2,303)	913	140,109	410,785	132,750	543,535

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	2023	2022
		$'000	$'000
Operating activities			
Loss before tax		(18,531)	(3,505)
Adjustments for:			
Property, plant and equipment written off	8	367	235
Impairment loss on property, plant and equipment	10	79	526
Impairment loss on right-of-use assets	27(c)	–	189
Allowance for write-down of development properties	19(a)	–	8,371
Allowance for write-down of properties held for sale	19(b)	–	325
(Gain)/loss on disposal of property, plant and equipment	8	(10)	96
Loss on disposal of intangible assets	8	185	–
Gain on modification and termination of lease contracts		(24)	(243)
Loss/(gain) on disposal of investment properties	8	3,260	(1,346)
Loss/(gain) on disposal of a joint venture/an associate		202	(14)
Net fair value (gain)/loss on derivatives		(695)	1,801
Fair value gain on investment securities		(8)	(1,291)
Net fair value gain on investment properties	11	(282)	(1,570)
Reversal of impairment on investment securities	8	(74)	(20)
Depreciation of property, plant and equipment	10	8,328	8,033
Depreciation of right-of-use assets	27(a)	24,100	24,675
Write-back of inventories	18	(266)	(448)
Write-back of allowance for write-down of development properties	19(a)	–	(739)
Allowance for expected credit loss on trade and other receivables	20	5,366	4,050
Financial losses on pledged items not fully covered by insurance		376	10
Interest expense	6	52,676	41,918
Interest income		(978)	(3,457)
Intangible assets written off	8	115	–
Amortisation of prepaid rent		1	3
Amortisation of intangible assets	12	1,508	544
Amortisation of medium-term notes issuance fees	6	626	999
Net loss on disposal of investment securities		–*	194
Dividend income from equity instruments		(2)	(371)
Share of results of associates		(5,084)	(1,108)
Share of results of a joint venture		15	34
Unrealised foreign exchange differences		6,094	6,295
Operating cash flows before changes in working capital		77,344	84,186
Changes in working capital			
Decrease/(increase) in inventories		339	(26,847)
Decrease in development properties and properties held for sale		74,615	38,462
Increase in trade and other receivables		(88,761)	(57,330)
Decrease/(increase) in prepayments		1,463	(1,337)
Decrease in restricted cash		1,026	1,024
Increase in trade and other payables		20,664	18,272
Total changes in working capital		9,346	(27,756)
Cash flows generated from operations		86,690	56,430
Interest paid		(36,275)	(26,218)
Income taxes paid		(13,868)	(7,910)
Net cash flows generated from operating activities		36,547	22,302

CONSOLIDATED STATEMENT OF
CASH FLOWS

For the financial year ended 31 December 2023

	Note	2023	2022
		$'000	$'000
Investing activities			
Net cash outflow on acquisition of a subsidiary	13	(5,601)	–
Net cash inflow on disposal of a joint venture		467	–
Purchase of property, plant and equipment	10	(12,061)	(18,077)
Acquisition of intangible assets	12	(1,260)	(2,120)
Proceeds from sale of property, plant and equipment		122	64
Investment in an associate		(3)	–
Interest received		979	4,612
Purchase of investment securities		(285)	(225)
Dividend income from equity instruments received		2	371
Dividend income from an associate received		–	356
Proceeds from disposal of investment securities		15	3,072
Proceeds from sales of investment property		29,730	14,367
Proceeds from issuance of ordinary shares by subsidiaries to non-controlling interests		1,607	–
Acquisition of non-controlling interests in subsidiaries		–	(481)
Due from associates, net		(792)	(927)
Net cash flows generated from investing activities		12,920	1,012
Financing activities			
Dividends paid to shareholders of the Company		(897)	–
Dividends paid to non-controlling interests of subsidiaries		(3,528)	(4,994)
Capital reduction from non-controlling shareholder		(3,708)	–
Proceeds from issuance of medium-term notes		–	36,750
Repayment of medium-term notes		(250)	(23,000)
Purchase of treasury shares		(599)	(222)
Purchase of treasury shares of a subsidiary		–	(145)
Proceeds from term loans		81,475	23,368
Repayment of term loans		(124,374)	(69,276)
Proceeds from short-term bank borrowings		87,093	152,474
Repayment of short-term bank borrowings		(54,499)	(100,154)
Interest paid on lease liabilities	27(b)	(2,401)	(2,090)
Repayment of principal portion of lease liabilities		(24,273)	(24,616)
Medium-term notes issuance fees paid		(184)	(552)
(Repayment to)/advance from immediate holding company (non-trade)		(1,650)	1,150
Net cash flows used in financing activities		(47,795)	(11,307)
Net increase in cash and cash equivalents		1,672	12,007
Effect of exchange rate changes on cash and cash equivalents		(324)	(756)
Cash and cash equivalents at beginning of year		51,509	40,258
Cash and cash equivalents at end of year	23	52,857	51,509

* Less than $1,000

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

1. Corporate information

Aspial Corporation Limited (the "**Company**") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The immediate and ultimate holding company is MLHS Holdings Pte. Ltd., which is also incorporated in Singapore.

The address of the Company's registered office is 77 Robinson Road, #06-03 Robinson 77, Singapore 068896. The address of its principal place of business is located at 55 Ubi Avenue 3, #01-01, Singapore 408864.

The principal activity of the Company is investment holding and provision of management and treasury services. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

2. Material accounting policy information

2.1 ***Basis of preparation***

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**").

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

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

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

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

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

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

Description	**Effective for annual periods beginning on or after**
Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale of Contribution of Assets between and Investor and its Associate or Joint Venture	Date to be determined

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

2. Material accounting policy information (cont'd)

2.4 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

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

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

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

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

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

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

– derecognises the carrying amount of any non-controlling interest;

– derecognises the cumulative translation differences recorded in equity;

– recognises the fair value of the consideration received;

– recognises the fair value of any investment retained;

– recognises any surplus or deficit in profit or loss;

– reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or revenue reserves, as appropriate.

2. Material accounting policy information (cont'd)

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

(b) *Business combinations and goodwill*

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

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

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

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 *Transactions with non-controlling interests*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

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. In such circumstances, the carrying amounts 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 attributed to owners of the Company.

2. Material accounting policy information (cont'd)

2.6 *Subsidiaries*

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

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

2.7 *Joint arrangements*

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

(a) *Joint operations*

The Group recognises in relation to its interest in a joint operation,

(a) its assets, including its share of any assets held jointly;

(b) its liabilities, including its share of any liabilities incurred jointly;

(c) its revenue from the sale of its share of the output arising from the joint operation;

(d) its share of the revenue from the sale of the output by the joint operation; and

(e) its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

(b) *Joint ventures*

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint ventures is set out in Note 2.8.

2. Material accounting policy information (cont'd)

2.8 *Associates and joint ventures*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate and joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, investment in associates or joint ventures is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from associates or joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associates or joint ventures are eliminated to the extent of the interest in the associates or joint ventures.

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

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

The financial statements of the associates and joint ventures are prepared as at the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.9 *Foreign currency*

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

(a) *Transactions and balances*

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

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.9 *Foreign currency (cont'd)*

(b) *Consolidated financial statements*

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

2.10 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

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

Freehold properties	–	50 years
Leasehold properties	–	37 to 69 years
Renovations, electrical fittings, furniture and fittings	–	1 to 20 years
Air-conditioners, security equipment, office equipment and electrical equipment	–	2 to 12 years
Machinery, tools and equipment	–	2 to 10 years
Computers	–	3 to 5 years
Motor vehicles	–	3 to 7 years

Work-in-progress is not depreciated until it is ready for its intended use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.11 *Investment properties*

Investment properties are properties that owned by the Group held to earn rental or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

2. Material accounting policy information (cont'd)

2.12 ***Intangible assets***

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

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

Intangible assets with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

(i) *Brands*

The brands were acquired in business combinations. The useful lives of the brands are estimated to be 15 years and are amortised on a straight-line basis.

(ii) *Trademark*

Trademark acquired separately is measured on initial recognition at cost. Following initial recognition, it is carried at cost less accumulated amortisation and any accumulated impairment losses.

The useful lives of trademarks are assessed as either finite or indefinite.

For trademarks with finite useful lives, the trademarks are amortised on a straight-line basis over its finite useful life of 15 years.

For trademarks with indefinite useful lives, the trademarks are estimated to have indefinite useful lives based on the current market share of these trademarks. Hence, management believes that there is no foreseeable limit to the period over which the trademarks are expected to generate net cash inflows for the Group.

(iii) *Computer software*

Computer software and internet domain is initially capitalised at cost, which includes the purchase price and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when they incurred.

Computer software and internet domain is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over the useful life of 3 to 7 years.

2. Material accounting policy information (cont'd)

2.12 *Intangible assets (cont'd)*

(iv) *Licence*

Licence acquired separately is measured on initial recognition at cost. Following initial recognition, it is carried at cost less accumulated amortisation and any accumulated impairment losses.

The useful life of licence is assessed as indefinite.

The licence is estimated to have indefinite useful life as it is renewable indefinitely. Hence, management believes that there is no foreseeable limit to the period over which the licence is expected to generate net cash inflows for the Group.

(v) *Customer relationships*

Customer relationships were acquired in business combination and are amortised on a straight-line basis over its useful life of 5 years.

2.13 *Impairment of non-financial assets*

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.14 *Financial instruments*

(a) *Financial assets*

<u>Initial recognition and measurement</u>

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

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

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

2. Material accounting policy information (cont'd)

2.14 *Financial instruments (cont'd)*

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

Subsequent measurement

Investments in debt instruments

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

Fair value through other comprehensive income

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments

On initial recognition of an investment in an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss. For derecognition of equity instruments, cumulative fair value changes previously recognised in FVOCI will be transferred to retained earnings.

2. Material accounting policy information (cont'd)

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

(b) *Financial liabilities*

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

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

2.15 ***Cash and cash equivalents***

Cash and cash equivalents comprise cash at banks and cash on hand. These also include bank overdrafts that form an integral part of the Group's cash management.

2.16 ***Impairment of financial assets***

The Group estimates the ECLs for all debt instruments not held at FVPL and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2. Material accounting policy information (cont'd)

2.16 *Impairment of financial assets (cont'd)*

The Group's estimation varies with respect to its various types of financial assets as follows:

Pawnshop loans and interest receivables on pawnshop loans

The Group uses the general approach and estimates lifetime ECLs on the financial assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contractual terms of the pawn tickets and all the cash flows that the Group expects to receive from the sale of collateral held or other credit enhancements that are integral to the contractual terms of the pawn tickets.

The Group considers the financial assets to be in default upon forfeiture of the collateral to the Group. When such default occurs, the Group has no reasonable expectations of recovering the interest receivable portion of the financial assets. Therefore, the Group writes off the interest receivable portion of the financial assets.

Secured lending receivables

The Group uses the general approach and estimates the 12-month expected credit losses when there is no indication of significant deterioration in credit risk. When a significant increase in credit risk has occurred, the Group estimates the lifetime ECLs for such financial assets.

Trade receivables from the Group's jewellery and real estate businesses, and contract assets

The Group applies a simplified approach in calculating ECLs relating to the trade receivables from its jewellery and real estate businesses, and contract assets. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Debt investment securities

ECLs are recognised in two stages. 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 ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECLs).

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit rating of the debt instrument.

Due from subsidiaries, associates and joint ventures

The Group uses the general approach and estimates the 12-month expected credit losses when there is no indication of significant deterioration in credit risk based on the financial performance of its related entities. When a significant increase in credit risk has occurred, the Group estimates the lifetime ECLs for such financial assets.

2. Material accounting policy information (cont'd)

2.17 *Inventories*

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

Raw materials	–	purchase costs on a weighted average basis; and
Finished goods	–	cost of raw materials, labour and an attributable portion of overheads, determined on a specific identification basis.

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

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

2.18 *Development properties*

Development properties are properties acquired for development or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties are held as inventories and are measured at the lower of cost and net realisable value.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are capitalised and amortised to profit or loss as the Group expects to recognise the related revenue.

Net realisable value of development properties is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of development properties recognised in profit or loss on sale are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Development properties are transferred to properties held for sale upon the completion of construction or development.

2.19 *Properties held for sale*

Properties held for sale refer to properties where construction or development has been completed, or properties purchased, which are intended for sale in the ordinary course of business. Properties held for sale are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

2.20 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. Material accounting policy information (cont'd)

2.21 *Employee benefits*

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee leave entitlement*

Employees' entitlement to annual leave is recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

(c) *Employees share award plan*

The Company's treasury shares can be awarded to certain employees and directors of the Group. Share award expense is recognised as an expense in the same period in which the related service is performed. The fair value of the share award expense is determined based on the market value of the shares at the distribution dates. Any difference between the weighted average cost of the treasury shares and the fair value of the share award expense is recorded in "Gain on reissuance of treasury shares" within equity.

2.22 *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.

(a) *As lessee*

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

Right-of-use assets

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

Leased properties	–	1 to 10 years
Motor vehicles	–	1 to 4 years
Machinery, tools and equipment	–	2 to 6 years
Security equipment and office equipment	–	4 years
Computer software	–	4 to 5 years
Land	–	37 years

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 right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.13.

2. Material accounting policy information (cont'd)

2.22 ***Leases (cont'd)***

(a) *As lessee (cont'd)*

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

(b) *As lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.23 ***Revenue***

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

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

2. Material accounting policy information (cont'd)

2.23 ***Revenue (cont'd)***

(a) *Sales of goods*

Revenue from sale of jewellery and branded merchandise

Revenue from sale of jewellery and branded merchandise is recognised upon satisfaction of identified performance obligation, which generally coincides with delivery and acceptance of promised goods sold, net of discounts, returns and applicable goods and services tax. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Revenue from sale of completed development property

A development property is regarded as sold when the significant risks and returns have been transferred to the buyer at a point in time, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

Revenue from sale of development property under construction

Where a development property is under construction and agreement has been reached to sell such property when construction is completed, revenue is recognised at a point in time when the significant risks and rewards of ownership of the property have been transferred to the buyer (i.e. revenue is recognised at a point in time).

If, however, the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, the percentage of completion method of revenue recognition is applied and revenue is recognised as work progresses. The percentage of work completed is measured by reference to the survey of work performed by external architects.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

(b) *Interest income*

Interest income from loans to customers and quoted debt securities is recognised using the effective interest method.

(c) *Rental income from operating leases*

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

2. Material accounting policy information (cont'd)

2.23 ***Revenue (cont'd)***

(d) *Dividend income*

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

(e) *Room revenue*

Room revenue from hotel operations is recognised at the point when the accommodation and related services are rendered to customer.

2.24 ***Government grants***

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When government grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grant relating to income is presented as part of profit or loss under "Other income".

2.25 ***Taxes***

(a) *Current income tax*

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

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

(b) *Deferred tax*

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

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

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

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

2. Material accounting policy information (cont'd)

2.25 *Taxes (cont'd)*

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

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

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

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

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

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

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

(c) *Sales tax*

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

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

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

2. Material accounting policy information (cont'd)

2.26 *Provisions*

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

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

2.27 *Hedge accounting*

The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting.

For the purpose of hedge accounting, hedges are classified as:

- In fair value hedges when hedging the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment

- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or

- hedges of a net investment in a foreign operation.

The Group applies hedge accounting for cash flow hedges.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss.

The Group uses commodity swaps as hedges for its exposure to volatility in the commodity prices.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

When a cash flow hedge is discontinued, the cumulative gain or loss previously recognised in other comprehensive income will remain in the cash flow hedge reserve until the future cash flows occur if the hedged future cash flows are still expected to occur or reclassified to profit or loss immediately if the hedged future cash flows are no longer expected to occur.

2. Material accounting policy information (cont'd)

2.28 ***Share capital and share issuance expenses***

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.

2.29 ***Treasury shares***

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

2.30 ***Contingencies***

A contingent liability is:

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

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

- (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) The amount of the obligation cannot be measured with sufficient reliability.

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

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.31 ***Financial guarantees***

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

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.16 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

3. Significant accounting judgements and estimates

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

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

In the process of applying the Company's accounting policies, management has made the following judgement which has the most significant effect on the amounts recognised in the financial statements:

Acquisition of subsidiaries

The Group has exercised significant judgement regarding the allocation of the purchase price to the assets and liabilities acquired for the acquisition of Maxion Group, including judgement made related to the identification of the intangible assets and key assumptions such as pre-tax discount rate, terminal growth rate, fair value adjustments to the carrying amount of assets and liabilities of the acquired business, useful life of intangible assets acquired and the allocation of the resultant goodwill.

3.2 ***Key sources of estimation uncertainty***

The Group, on its own or in reliance on third parties, also applied estimates, assumptions and judgements in the following areas. These estimates, assumptions and judgements are however not expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities as disclosed in the notes to the financial statements within the next financial year.

(a) *Estimation of net realisable value for development properties*

Development properties are stated at the lower of cost and net realisable value ("**NRV**").

As at 31 December 2023 and 2022, a proportion of the Group's development properties are in their planning phases. NRV in respect of these development properties is assessed based on management's best estimates of expected selling price (taking into account estimated costs to complete construction) based on assessment of outlook of future property market and economic conditions in the respective markets, with the assumption that the required development permits will be obtained.

Management has also made estimates of NRV with references to gross development values as assessed by external appraisers for certain development projects. The gross development value of a development property is derived from estimated sales proceeds less estimated construction costs. Significant estimate and assumptions are involved in determining the estimated construction costs. In making these estimate, management has relied on past experience as well as the work of third party experts.

As at 31 December 2023 and 2022, the carrying amounts of development properties are disclosed in Note 19(a) to the financial statements.

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

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

(b) *Estimation of net realisable value for properties held for sale*

Properties held for sale are stated at the lower of cost and NRV.

Management has made estimates of the NRV with reference to selling prices of units sold as well as market prices at the reporting date for similar properties in the respective markets where applicable, or used external appraisers to support its determination of recoverable amounts. There was an increase in the level of estimation uncertainty in determining the recoverable value of the properties held for sale as at 31 December 2023 arising from rapid changes in market and economic conditions. As at 31 December 2023 and 2022, the carrying amount of properties held for sale are disclosed in Note 19(b) to the financial statements.

(c) *Impairment of hotel properties*

As at 31 December 2023, the Group's property, plant and equipment included hotel properties which amounted to $67,959,000 (31 December 2022: $68,542,000).

Where there are indicators of impairment, management has made estimates of the recoverable amounts based on the current property market and economic conditions in the respective markets, or used external appraisers to support its determination of recoverable amount. There was an increase in the level of estimation uncertainty in determining the recoverable value of the hotel properties as at 31 December 2023 arising from rapid changes in market and economic conditions.

(d) *Allowance for expected credit losses on pawnshop loans and interest receivables on pawnshop loans*

The Group uses a provision matrix to estimate the allowance for ECLs on pawnshop loans and interest receivables on pawnshop loans. The Group has estimated the probability of default being the forfeiture of the customers' pledges based on historical non-redemption data of individual pawnshop outlets. The Group has estimated the loss given default based on the expected realisable value of the customers' pledges. Significant judgement and estimation is involved in using the historical non-redemption data to derive the probability of default as well as considering any forward-looking economic information. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The carrying amount of the Group's trade receivables which includes the pawnshop loans and interest receivables on pawnshop loans at the end of the financial year is disclosed in Note 20 to the financial statements.

(e) *Valuation of investment properties*

The Group carries its investment properties at fair values, with changes in fair values being recognised in profit or loss. The Group engaged external appraisers to assess the fair value as at 31 December 2023. There was an increase in the level of estimation uncertainty in determining valuation of the investment properties as at 31 December 2023 arising from the rapid changes in market and economic conditions.

The fair values of the investment properties are determined by external appraisers using the recognised valuation technique of Market Comparison Approach. The key assumptions used to determine the fair value of these investment properties are provided in Note 37(d). As at 31 December 2023, the investment properties amounted to $107,838,000 (2022: $142,462,000).

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

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

(f) *Allowance for inventory obsolescence*

The Group periodically assesses the allowance for inventory obsolescence. When inventories are deemed obsolete or when the net realisable value falls below cost, the amount of obsolete inventories or fall in value is recognised as an impairment against the inventory balance. To determine whether there is objective evidence of impairment, the Group estimates future demand for the product. Any possible changes in these estimates could result in revision to the valuation of inventory. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 18 to the financial statements.

4. Revenue

Disaggregation of revenue

Segments	*Financial Services and Secured Lending*		*Real Estate*		*Retail*		*Total revenue*	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Major product or service lines								
Interest income from pawnbroking services	60,776	51,526	–	–	–	–	60,776	51,526
Interest income from secured lending	549	2,122	–	–	–	–	549	2,122
Sale of unredeemed articles - recognised at point in time	2,791	–	–	–	–	–	2,791	–
Sale of jewellery and branded merchandise – recognised at a point in time	–	–	–	–	441,154	391,238	441,154	391,238
Sale of development properties – recognised at a point in time	–	–	91,374	59,904	–	–	91,374	59,904
Room revenue – recognised over time	–	–	3,354	1,446	–	–	3,354	1,446
	64,116	53,648	94,728	61,350	441,154	391,238	599,998	506,236

5. Employee benefits

	Group	
	2023	2022
	$'000	$'000
Employee benefits expense (including executive directors):		
Salaries and bonuses	64,188	60,735
Defined contributions plan	7,319	7,014
	71,507	67,749

6. Finance costs

	Group	
	2023	2022
	$'000	$'000
Interest expense on:		
– Term loans and short-term borrowings	36,565	23,729
– Medium-term notes	13,642	16,082
– Lease liabilities (Note 27(b))	2,401	2,090
– Others	68	17
	52,676	41,918
Amortisation of medium-term notes issuance fees	626	999
	53,302	42,917

7. Other income

	Group	
	2023	2022
	$'000	$'000
Administrative income	904	857
Corporate charges to an associate	488	488
Dividend income from equity instruments	2	371
Foreign exchange gain, net	273	1,047
Net fair value gain on investment properties	282	1,570
Gain on disposal of investment properties	–	1,346
Other government grants and miscellaneous income	3,863	3,899
COVID-19-related rent concessions	212	113
Net fair value gain on derivatives	383	2,266
Fair value gain on investment securities	8	1,291
Write-back of allowance for write-down for development properties	–	739
Service income	–	830
Administrative and processing fee income	1,997	–
	8,412	14,817

COVID-19-related rent concessions

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

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

During the financial year ended 31 December 2022, the Group recognised COVID-19-related rent concessions to which the Group applied the practical expedient applicable under Amendment to SFRS(I) 16: *Covid-19-Related Rent Concessions.*

8. Loss before tax

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

	Note	Group	
		2023	**2022**
		$'000	$'000
Audit fees to:			
– Auditor of the Company		724	774
– Other auditors		306	260
Non-audit fees to:			
– Auditor of the Company		122	119
Amortisation of prepaid rent		1	3
Amortisation of intangible assets	12	1,508	544
Directors' fees		266	266
Depreciation of property, plant and equipment	10	8,328	8,033
Depreciation of right-of-use assets	27(a)	24,100	24,675
Fair value gain on investment properties	11	(282)	(1,570)
Lease expense not capitalised in lease liabilities:			
– Expense relating to short-term leases and leases of low-value assets	27(c)	437	209
– Variable lease payments	27(c)	1,026	900
		1,463	1,109
Allowance for write-down of development properties	19(a)	–	8,371
Allowance for write-down of properties held for sale	19(b)	–	325
Property, plant and equipment written off		367	235
Intangible assets written off		115	–
(Gain)/loss on disposal of property, plant and equipment		(10)	96
Loss on disposal of intangible assets		185	–
Allowance for expected credit loss on trade and other receivables		5,366	4,050
Write-back of inventories	18	(266)	(448)
Net loss on disposal of investment securities		–*	194
Net loss/(gain) on disposal of investment properties		3,260	(1,346)
Net foreign exchange loss		7,751	7,711
Financial losses on pledged items not fully covered by insurance		376	10
Reversal of impairment on investment securities		(74)	(20)
Impairment loss on property, plant and equipment	10	79	526
Impairment loss on right-of-use assets	27(c)	–	189
Net fair value gain on derivatives		(383)	(2,266)
Non-refundable sales agent commission		4,309	4,803
Write-back of allowance for write-down of development properties	19(a)	–	(739)
Net fair value gain on investment securities		(8)	(1,291)

* Less than $1,000

9. Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial year.

Diluted earnings per share amounts are calculated by dividing the loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The weighted average number of shares takes into account the weighted average effect of issue of bonus shares, bonus element in rights issue and changes in treasury shares transactions during the year. Comparatives have been adjusted accordingly, as applicable.

Diluted loss per share is similar to basic loss per share as there were no potential dilutive ordinary shares existing during the respective financial years.

The following table reflects the loss and share data used in the computation of basic and diluted loss per share for the years ended 31 December:

	Group	
	2023	**2022**
	$'000	$'000
Loss for the year attributable to equity holders of the Company	(22,240)	(14,710)
Less: Distribution to perpetual securities holders	(1,300)	–
Loss attributable to ordinary shareholders of the Company	(23,540)	(14,710)
Weighted average number of ordinary shares ('000) (excluding treasury shares)	2,188,330	2,165,712

	Group	
	2023	**2022**
	$'000	$'000
Loss per share (cents)		
- basic and diluted		
i) after distribution to perpetual securities holders	(1.08)	(0.68)
ii) before distribution to perpetual securities holders	(1.02)	(0.68)

10. Property, plant and equipment

Group	Freehold properties	Leasehold properties	Renovations, electrical fittings, furniture and fittings	Air-conditioners, security equipment, office equipment and electrical equipment	Machinery, tools and equipment	Computers	Motor vehicles	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:									
At 1 January 2022	42,072	158,437	30,173	7,459	2,598	9,075	660	1,259	251,733
Additions	3,806	4,995	2,538	622	415	518	–	5,183	18,077
Disposals/write-off	–	–	(3,169)	(1,119)	(194)	(5,013)	(131)	(114)	(9,740)
Transfer in/(out)	266	–	2,377	86	101	182	–	(3,012)	–
Transferred to intangible assets	–	–	–	–	–	–	–	(158)	(158)
Exchange differences	(1,602)	(3,131)	(220)	(48)	(37)	(26)	(9)	(16)	(5,089)
At 31 December 2022 and 1 January 2023	44,542	160,301	31,699	7,000	2,883	4,736	520	3,142	254,823
Additions	2,342	3,628	2,226	656	469	372	–	2,368	12,061
Acquisition of subsidiary (Note 13)	–	–	255	93	29	14	–	–	391
Disposals/write-off	–	–	(1,792)	(395)	(44)	(472)	(481)	(175)	(3,359)
Transfer in/(out)	13,014	(12,086)	2,930	179	96	84	–	(4,217)	–
Exchange differences	(1,281)	(2,898)	(137)	(45)	9	(13)	(2)	15	(4,352)
At 31 December 2023	58,617	148,945	35,181	7,488	3,442	4,721	37	1,133	259,564

10. Property, plant and equipment (cont'd)

Group	Freehold properties	Leasehold properties	Renovations, electrical fittings, furniture and fittings	Air-conditioners, security equipment, office equipment and electrical equipment	Machinery, tools and equipment	Computers	Motor vehicles	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated depreciation and impairment:									
At 1 January 2022	753	13,750	20,527	5,224	2,064	7,924	451	–	50,693
Depreciation charge for the year	74	2,418	3,896	613	222	723	87	–	8,033
Impairment loss	–	–	386	128	4	8	–	–	526
Disposals/write-off	–	–	(2,948)	(1,088)	(186)	(5,008)	(115)	–	(9,345)
Exchange differences	–*	(554)	(125)	(26)	(20)	(17)	(4)	–	(746)
At 31 December 2022 and 1 January 2023	827	15,614	21,736	4,851	2,084	3,630	419	–	49,161
Depreciation charge for the year	102	2,690	3,871	584	328	710	43	–	8,328
Impairment loss/(write-back)	–	–	57	18	–	4	–	–	79
Disposals/write-off	–	–	(1,610)	(357)	(33)	(462)	(418)	–	(2,880)
Exchange differences	1	(481)	(61)	(21)	4	(7)	(7)	–	(572)
At 31 December 2023	930	17,823	23,993	5,075	2,383	3,875	37	–	54,116
Net carrying amount:									
At 31 December 2022	43,715	144,687	9,963	2,149	799	1,106	101	3,142	205,662
At 31 December 2023	57,687	131,122	11,188	2,413	1,059	846	–	1,133	205,448

* Less than $1,000

10. Property, plant and equipment (cont'd)

Company	Renovations, electrical fittings, furniture and fittings	Air-conditioners, security equipment, office equipment and electrical equipment	Machinery, tools and equipment	Computers	Total
	$'000	$'000	$'000	$'000	$'000
Cost:					
At 1 January 2022	783	422	78	4,051	5,334
Write-off	(783)	(413)	(78)	(4,017)	(5,291)
At 31 December 2022 and 1 January 2023	–	9	–	34	43
Write-off	–	–	–	(10)	(10)
At 31 December 2023	–	9	–	24	33
Accumulated depreciation and impairment:					
At 1 January 2022	783	418	78	4,046	5,325
Depreciation charge for the year	–	2	–	5	7
Write-off	(783)	(413)	(78)	(4,017)	(5,291)
At 31 December 2022 and 1 January 2023	–	7	–	34	41
Depreciation charge for the year	–	1	–	–	1
Write-off	–	–	–	(10)	(10)
At 31 December 2023	–	8	–	24	32
Net carrying amount:					
At 31 December 2022	–	2	–	–	2
At 31 December 2023	–	1	–	–	1

<u>Assets pledged as security</u>

A floating charge has been placed on plant and equipment of certain subsidiaries with a carrying amount aggregating $3,529,000 (2022: $3,408,000) as security for bank borrowings (Note 25).

As at 31 December 2023, freehold properties, leasehold properties with a carrying value of $186,778,000 (2022: $188,402,000) are pledged to banks as security for bank borrowings (Note 25).

<u>Impairment of assets</u>

During the financial year ended 31 December 2023, the Group undertook an assessment of the recoverable amounts of the property, plant and equipment with indicators of impairment. As a result of the assessment, the Group recorded impairment loss of $79,000 (2022: $526,000) arising from the closure of certain outlets under the financial services segment, recognised in "Other operating expenses" in the consolidated statement of comprehensive income.

11. Investment properties

	Group	
	2023	2022
	$'000	$'000
Statement of financial position:		
At 1 January	142,462	160,101
Disposal	(32,966)	(13,042)
Net gain from fair value adjustments recognised in profit or loss	282	1,570
Exchange difference	(1,940)	(6,167)
At 31 December	107,838	142,462
Statement of comprehensive income:		
Rental income from investment properties		
- Minimum lease payments	2,954	3,621
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	1,003	1,592

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Valuation of investment properties

Investment properties are stated at fair values, determined based on valuations performed by external appraisers with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being appraised. Details of the valuation technique and inputs used are disclosed in Note 37.

11. Investment properties (cont'd)

Properties pledged as security

As at 31 December 2023, investment properties with a carrying value of $107,838,000 (2022: $142,462,000) are pledged as security for bank borrowings (Note 25).

The investment properties held by the Group are as follows:

Description and location	Existing use	Tenure	Unexpired lease term as at 31 December 2023
World Class Development (Bedok) Pte. Ltd.			
#01-08, #01-47, #01-48, #01-49, #01-64, #01-65, #01-67, #01-68 East Village, Bedok Road, Singapore	Retail	Freehold	–
World Class Development (North) Pte. Ltd.			
#01-52 and #01-67 The Hillford, Jalan Jurong Kechil, Singapore	Retail	Leasehold	50 years
World Class Land (Georgetown) Sdn. Bhd.			
41, 43 & 51 Gat Jalan Prangin, Penang, Malaysia	Commercial	Freehold	–
WCL (Macallum) Sdn. Bhd.			
206 Jalan C.Y. Choy, Penang, Malaysia	Commercial	Freehold	–
55 Lebuh Cecil, Penang, Malaysia	Commercial	Freehold	–
81 Lebuh Macallum, Penang, Malaysia	Commercial	Freehold	–
WCL (Noordin St) Sdn. Bhd.			
68 Lebuh Presgrave, Penang, Malaysia	Commercial	Freehold	–
69 & 71 Lebuh Presgrave, Penang, Malaysia	Commercial	Freehold	–
95, 97 & 99 Lebuh Noordin, Penang, Malaysia	Commercial	Freehold	–
15 Lebuh Tye Sin, Penang, Malaysia	Commercial	Freehold	–
80 & 82 Lebuh Tye Sin, Penang, Malaysia	Commercial	Freehold	–
34, 36, 38, 38-A, 38-B & 38-C Lebuh Tye Sin, Penang, Malaysia and Lot 711 Seksyen 11W, Bandar Georgetown, Daerah Timur Laut, Penang, Malaysia	Mixed use development	Freehold	–
WCL-Southbank (VIC) Pty. Ltd.			
39 units at Australia 108 68-82 Southbank Boulevard, Southbank, Melbourne, Victoria, Australia	Residential	Freehold	–
Maxi-Cash Property Pte. Ltd.			
709 Ang Mo Kio Avenue 8 #01-2593, Singapore	Retail	Leasehold	61 years

12. Intangible assets

Group	Brands	Trademark	Goodwill	Customer relationships	Licence	Computer software and internet domain	Club membership	Industrial rights	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:										
At 1 January 2022	8,421	4,648	5,093	–	–	4,233	49	8	1,301	23,753
Additions	–	–	–	–	500	276	–	–	1,344	2,120
Write-off	–	–	–	–	–	(2,000)	–	–	–	(2,000)
Transferred in/(out)	–	–	–	–	–	2,602	–	–	(2,602)	–
Transferred from property, plant and equipment	–	–	–	–	–	158	–	–	–	158
Exchange differences	–	(247)	–	–	–	(46)	–	(1)	(2)	(296)
At 31 December 2022 and 1 January 2023	8,421	4,401	5,093	–	500	5,223	49	7	41	23,735
Additions	–	–	–	–	–	1,260	–	–	–	1,260
Acquisition of subsidiary (Note 13)	–	–	2,459	3,076	–	–	–	–	–	5,535
Write-off	–	–	–	–	–	(643)	–	–	–	(643)
Exchange differences	–	56	–	–	–	11	–	–*	–	67
At 31 December 2023	8,421	4,457	7,552	3,076	500	5,851	49	7	41	29,954
Accumulated amortisation and impairment:										
At 1 January 2022	8,421	723	1,872	–	–	3,271	14	8	–	14,309
Amortisation	–	–	–	–	–	544	–	–	–	544
Write-off	–	–	–	–	–	(2,000)	–	–	–	(2,000)
Exchange differences	–	–	–	–	–	(15)	–	(1)	–	(16)
At 31 December 2022 and 1 January 2023	8,421	723	1,872	–	–	1,800	14	7	–	12,837
Amortisation	–	–	–	633	–	875	–	–	–	1,508
Write-off	–	–	–	–	–	(343)	–	–	–	(343)
Exchange differences	–	–	–	(18)	–	5	–	–*	–	(13)
At 31 December 2023	8,421	723	1,872	615	–	2,337	14	7	–	13,989
Net carrying amount:										
At 31 December 2022	–	3,678	3,221	–	500	3,423	35	–*	41	10,898
At 31 December 2023	–	3,734	5,680	2,461	500	3,514	35	–*	41	15,965

* Less than $1,000

12. Intangible assets (cont'd)

Company	Computer software	Club membership	Total
	$'000	$'000	$'000
Cost:			
At 1 January 2022	1,613	49	1,662
Write-off	(1,022)	–	(1,022)
At 31 December 2022 and 1 January 2023	591	49	640
Write-off	–	–	–
At 31 December 2023	591	49	640
Accumulated amortisation:			
At 1 January 2022	1,491	14	1,505
Amortisation	55	–	55
Write-off	(1,022)	–	(1,022)
At 31 December 2022 and 1 January 2023	524	14	538
Amortisation	41	–	41
At 31 December 2023	565	14	579
Net carrying amount:			
At 31 December 2022	67	35	102
At 31 December 2023	26	35	61

Amortisation expense

Except for the trademark related to "Niessing" (acquired in 2018) which useful life is estimated to be indefinite, the other brands and trademark acquired are amortised on a straight-line basis over their estimated economic useful lives of 15 years.

The amortisation of intangible assets is included in the "Depreciation and amortisation" line items in the consolidated statement of comprehensive income.

Impairment testing of goodwill

Goodwill is tested for impairment by comparing the carrying amount with the recoverable amount of the respective cash-generating unit ("**CGU**"). For the purpose of management's impairment assessment, goodwill is allocated to Goldheart Jewelry Pte. Ltd. ("**GHJ**") and Maxion Holdings Sdn. Bhd. and its subsidiaries ("**Maxion Group**") as CGUs.

The carrying amount of goodwill allocated to each CGU is as follows:

	Group	
	2023	**2022**
	$'000	$'000
Goldheart Jewelry Pte. Ltd.	3,221	3,221
Maxion Holdings Sdn. Bhd. and its subsidiaries	2,459	–

12. Intangible assets (cont'd)

Impairment testing of goodwill (cont'd)

The recoverable amount of the Group's CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period.

The calculation of value-in-use for the CGUs are most sensitive to the following assumptions:

Budgeted gross margins and direct overhead expenses – Direct overhead expenses mainly comprise employee benefits and rental related expenses. Gross margins and direct overhead expenses are forecasted as a percentage of budgeted sales and is estimated based on historical trend and management's assessment of outlook of the CGUs and industry.

Pre-tax discount rate – Discount rate represents the current market assessment of the risks specific to the CGUs, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the CGUs and derived from its weighted average cost of capital. The pre-tax discount rate applied in the cash flow projections for GHJ and Maxion Group are 11.1% and 11.4% (2022: 13.0% and Nil) respectively, which reflects management's estimation of the risks specific to the segments.

Growth rates – The forecasted growth rates are based on management's judgement applied in the financial budgets which include average growth rates. The growth rates applied range from 1.1% to 1.2% (2022: 1.1% to 1.2%) for the budget covering 5 years with a terminal growth rate of 1.7% (2022: 1.7%) for GHJ, and 11% to 26% for the budget covering 5 years with a terminal growth rate of 3.3% for Maxion Group.

Sensitivity analysis

With respect to the assessment of value-in-use for the respective CGUs, management believed that no reasonable possible changes in any of the key assumptions would cause the carrying values of the CGUs Group to materially exceed their recoverable amounts.

13. Investment in subsidiaries

	Company	
	2023	**2022**
	$'000	$'000
Unquoted equity shares, at cost		
At 1 January	280,817	270,546
Acquisition of non-controlling interests in a subsidiary	–	55,271
Re-organisation of Target Group [m]	–	(45,000)
Allowance for impairment loss	(2,352)	–
At 31 December	278,465	280,817

13. Investment in subsidiaries (cont'd)

Composition of the Group

The Group has the following material investment in subsidiaries:

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held by the Company				
Aspial International Pte. Ltd. [(a)]	Singapore	Jewellery wholesaling	100	100
World Class Land Pte. Ltd. [(a)]	Singapore	Property development	90	90
World Class Global Pte. Ltd. [(a)] ("**WCG**")	Singapore	Investment holding and provision of management services	100	100
Aspial Lifestyle Limited ("**ALL**") [(a)]	Singapore	Investment holding and provision of management services	71.35	70.74
Aspial Investment Holding Pte. Ltd. [(a)]	Singapore	Investment holding	100	100
Aspial Treasury Pte. Ltd. [(a)]	Singapore	Provision of financial services	100	100
Aspial Corporate Services Pte. Ltd. [(a)]	Singapore	Provision of management services	100	100
Held through subsidiaries				
Aspial International Pte. Ltd.				
Niessing Group Pte. Ltd. [(a)]	Singapore	Investment holding and provision of management services	100	100
Niessing Group Pte. Ltd.				
Niessing Asia Pacific Pte. Ltd. [(a)]	Singapore	Jewellery retailing and regional sales office	100	100
Niessing Manufaktur GmbH & Co. KG [(c)]	Germany	Jewellery trading and manufacturing	75	75
Niessing Asia Pacific Pte. Ltd.				
Niessing (Hong Kong) Limited [(h)]	Hong Kong	Jewellery retailing	100	100
Niessing (Australia) Pty. Ltd. [(g)]	Australia	Jewellery retailing	100	100
Niessing Vreden Commercial (Shanghai) Limited [(f)]	Republic of China	Jewellery retailing and regional sales office	100	100
Niessing (Malaysia) Sdn. Bhd. [(e)]	Malaysia	Jewellery retailing	100	100

13. Investment in subsidiaries (cont'd)

Composition of the Group (cont'd)

The Group has the following material investment in subsidiaries (cont'd):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through subsidiaries (cont'd)				
World Class Land Pte. Ltd.				
Dynamic Project Management Services Pte. Ltd. [f,i]	Singapore	Property management and property development	100	100
World Class Developments Pte. Ltd. [d]	Singapore	Property development	100	100
Advance Property Pte. Ltd.	Singapore	Investment holding	–[n]	100[i]
World Class Developments Pte. Ltd.				
World Class Developments (Bedok) Pte. Ltd. [a]	Singapore	Property development	80	80
World Class Developments (North) Pte. Ltd. [a]	Singapore	Property development	100	100
World Class Global Pte. Ltd.				
World Class Land (Malaysia) Sdn. Bhd. [e]	Malaysia	Investment holding	100	100
World Class Land (Australia) Pty. Ltd. [b]	Australia	Investment holding	100	100
Bienven (M) Sdn. Bhd. [e]	Malaysia	Hotel management	100	100
World Class Land (Malaysia) Sdn. Bhd.				
World Class Land (Penang) Sdn. Bhd. [e]	Malaysia	Property development	100	100
World Class Land (Penang) Sdn. Bhd.				
World Class Land (Georgetown) Holdings Sdn. Bhd. [e]	Malaysia	Property development	95	95
World Class Land (Georgetown) Holdings Sdn. Bhd.				
World Class Land (Georgetown) Sdn. Bhd. [b]	Malaysia	Property development	100	100
WCL (Magazine) Sdn. Bhd. [b]	Malaysia	Property development	100	100
WCL (Macallum) Sdn. Bhd. [b]	Malaysia	Property development	100	100
WCL (Noordin St) Sdn. Bhd. [b]	Malaysia	Property development	100	100
WCL (Bertam R) Sdn. Bhd. [b]	Malaysia	Property development	100	100
WCL (Bertam L) Sdn. Bhd. [b]	Malaysia	Property development	100	100
PHC Hotels Sdn. Bhd. [e]	Malaysia	Management and operation of hotels	100	100

13. Investment in subsidiaries (cont'd)

Composition of the Group (cont'd)

The Group has the following material investment in subsidiaries (cont'd):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through subsidiaries (cont'd)				
World Class Land (Australia) Pty. Ltd.				
WCL-Cairns (QLD) Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL-Central Park (QLD) Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL-Southbank (VIC) Pty. Ltd. (b)	Australia	Property development	100	100
WCL (QLD) Holdings Pty. Ltd. (j)	Australia	Property development	100	100
SBD 102 Pty. Ltd. (j)	Australia	Property development	100	100
WCL-Cairns (QLD) Pty. Ltd.				
Dynamic Ideas Pty. Ltd. (j)	Australia	Property development	100	100
WCL (CNS) CBD Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL (QLD) Holdings Pty. Ltd.				
WCL (QLD) Albert St Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL (QLD) Margaret St Pty. Ltd. (f),(j)	Australia	Property development	65	65
Aspial Lifestyle Limited				
Maxi-Cash Group Pte. Ltd. (a)	Singapore	Investment holding and provision of management services	100	100
Maxi-Cash Jewellery Group Pte. Ltd. (a)	Singapore	Trading and retailing of jewellery and branded merchandise	100	100
Maxi-Cash Property Pte. Ltd. (a),(l)	Singapore	Real estate activities	100	100
Maxi-Cash Investment Holding Pte. Ltd. (a)	Singapore	Investment holding	100	100
Maxi-Cash Capital Management Pte. Ltd. (a)	Singapore	Secured lending and investment holding	100	100
Aspial Lifestyle International Pte. Ltd. (formerly known as Maxi-Cash International Pte. Ltd.) (a)	Singapore	Investment holding and provision of management services	100	100
Maxi-Cash Retail Pte. Ltd. (a)	Singapore	Jewellery retailing	100	100
Aspial Lifestyle Jewellery Group Pte. Ltd. ("**ALJG**") (a),(m)	Singapore	Jewellery manufacturing	100	100
AL Capital (Ubi) Pte. Ltd. (a),(k),(m)	Singapore	Real estate activities	100	100

13. Investment in subsidiaries (cont'd)

Composition of the Group (cont'd)

The Group has the following material investment in subsidiaries (cont'd):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through subsidiaries (cont'd)				
Maxi-Cash Jewellery Group Pte. Ltd.				
AL Treasury Pte. Ltd. [(a)]	Singapore	Provision of other financial services	100	100
Maxi-Cash Group Pte. Ltd.				
Maxi-Cash (North) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (East) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (Central) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (West) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (Clementi) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	70	70
Maxi-Cash Capital Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash Assets Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash Ventures Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (Central 2) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (East 2) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (North East) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Aspial Lifestyle Jewellery Group Pte. Ltd.				
Lee Hwa Jewellery Pte. Ltd. [(a),(m)]	Singapore	Jewellery retailing	100	100
Goldheart Jewelry Pte. Ltd. [(a),(m)]	Singapore	Jewellery retailing	100	100

13. Investment in subsidiaries (cont'd)

Composition of the Group (cont'd)

The Group has the following material investment in subsidiaries (cont'd):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through subsidiaries (cont'd)				
Aspial Lifestyle International Pte. Ltd. (formerly known as Maxi-Cash International Pte. Ltd.)				
Maxi Cash (Malaysia) Sdn. Bhd. (b)	Malaysia	Investment holding and provision of management services	100	100
Maxi-Cash (Australia) Pty. Ltd. (g)	Australia	Investment holding and provision of management services	100	100
Maxi-Cash (Hong Kong) Co. Ltd.(b)	Hong Kong	Investment holding and provision of management services	100	100
Aspial Lifestyle Business Services Sdn. Bhd. (o)	Malaysia	Investment holding and provision of management services	100	–
Maxi Cash (Malaysia) Sdn. Bhd.				
Maxi Cash (Southern) Sdn. Bhd. (b)	Malaysia	Investment holding and provision of management services	100	100
LuxeSTYLE (Malaysia) Sdn. Bhd. (b)	Malaysia	Trading and retailing of jewellery and branded merchandise	100	100
MX Properties Sdn. Bhd. (b)	Malaysia	Real estate activities	65	–
Maxion Holdings Sdn. Bhd. (b)	Malaysia	Investment holding and provision of management services	65	–
Maxi Cash (Southern) Sdn. Bhd.				
Maxi Cash (S1) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	100
Maxi Cash (S2) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	100
Maxi Cash (S3) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	100
Maxi Cash (KL1) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	100
Maxi Cash (KL2) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	100

13. Investment in subsidiaries (cont'd)

Composition of the Group (cont'd)

The Group has the following material investment in subsidiaries (cont'd):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through subsidiaries (cont'd)				
Maxion Holdings Sdn. Bhd.				
Pajak Gadai Ion Sdn. Bhd. (b)	Malaysia	Pawn brokerage	65	–
PG Ion Sdn. Bhd. (b)	Malaysia	Pawn brokerage	65	–
PG Ion (BSJ) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	65	–
DRP2 Sdn. Bhd. (b)	Malaysia	Pawn brokerage	65	–
DRP4 Sdn. Bhd. (b)	Malaysia	Pawn brokerage	65	–
DRP7 Sdn. Bhd. (b)	Malaysia	Pawn brokerage	65	–
Kedai Dremas Sdn. Bhd. (b)	Malaysia	Trading and retailing of jewellery and branded merchandise	65	–
Maxi-Cash (Hong Kong) Co. Ltd.				
Maxi-Cash (HKI) Co. Ltd. (b)	Hong Kong	Pawn brokerage	100	100
Maxi-Cash Retail (HKI) Co. Ltd. (b)	Hong Kong	Trading and retailing of jewellery and branded merchandise	100	100

(a) Audited by Ernst & Young LLP, Singapore

(b) Audited by a member firm of EY Global

(c) Audited by Reviscon GmbH

(d) Audited by MAP-CA PAC, Chartered Accountants of Singapore

(e) Audited by Baker Tilly Monteiro Heng, Malaysia

(f) Audited by Ernst & Young LLP, Singapore for consolidation purposes

(g) Audited by The Field Group, Melbourne

(h) Audited by Tam, Hui, Tse & Ho CPA Limited, Hong Kong

(i) Audited by Kreston David Yeung PAC, Singapore

(j) Exempted from statutory audit

13. Investment in subsidiaries (cont'd)

Composition of the Group (cont'd)

(k) During the financial year ended 31 December 2016, AL Capital (Ubi) Pte. Ltd. was incorporated as a joint venture between ALL and ALJG, each holding a 50% interest in the ownership and voting rights. During the financial year 31 December 2021, the proportion of ownership interest of 81.28% represents the effective interest held by the Company.

AL Capital (Ubi) Pte. Ltd. was transferred to ALL as part of the Group's re-organisation as disclosed in note (m). Accordingly, ALL now holds 100% of equity interest in AL Capital (Ubi) Pte. Ltd..

(l) On 1 January 2022, Aspial Property Investment Pte. Ltd. and Maxi-Cash Property Pte. Ltd. amalgamated, pursuant to Section 215A and Section 215D of the Companies Act 1967, with Maxi-Cash Property Pte. Ltd. remaining as an amalgamated entity.

(m) On 30 September 2022, the Company completed the re-organisation of Aspial Lifestyle Jewellery Group Pte. Ltd. and its subsidiaries, BU2 Services Pte. Ltd. and Gold Purple Pte. Ltd. (collectively, the "**Target Group**"). The 100% equity interests of companies within the Target Group, amounting to $45,000,000, were transferred to ALL for a total consideration of up to $98,755,000, which comprise base consideration and earn-out consideration. Gain on disposal of $53,631,000 was recorded by the Company.

The base consideration is satisfied by cash consideration of $37,000,000 and issuance of 311,656,441 ordinary shares of ALL amounting to $49,865,000. The earn-out consideration of up to $12,000,000 will be payable based on achievement of certain performance target by the Target Group and will be satisfied by way of cash consideration of up to $6,000,000 and issuance of 36,809,815 new ordinary shares of ALL to the Company. As at 31 December 2022, the performance target of the Target Group has been achieved and the fair value of the contingent shares to be issued by ALL amounted to $5,889,000.

The reason for the re-organisation is to leverage on the retail segment of ALL as part of the Group's strategic plans of increasing its product offerings in the market.

(n) Liquidated during the financial year ended 31 December 2023.

(o) The subsidiary was incorporated during the financial year ended 31 December 2023, and the first set of audited financial statements will be for the period ending 31 December 2024.

Interest in subsidiaries with material non-controlling interest ("NCI")

The Group has the following subsidiaries that have NCI that are material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Profit/(loss) allocated to NCI during the reporting period	Accumulated NCI at the end of reporting period	Dividends paid to NCI
			$'000	$'000	$'000
31 December 2023					
Aspial Lifestyle Limited and its subsidiaries ("**ALL Group**")	Singapore	28.65%	6,130	67,950	3,228
Real estate segment	Singapore	10.00%	(1,408)	13,269	–
Niessing Manufaktur GmbH & Co. KG ("**NMK**")	Germany	25%	418	4,195	305
31 December 2022					
ALL Group	Singapore	29.26%	5,741	61,625	4,993
Real estate segment	Singapore	10.00%	(3,520)	18,471	–
NMK	Germany	25%	743	3,996	523

13. Investment in subsidiaries (cont'd)

Summarised financial information about subsidiaries with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised statement of financial position

	ALL Group		Real estate segment		NMK	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000	$'000	$'000
Current						
Assets	686,876	589,693	367,148	452,762	31,559	30,630
Liabilities	(534,585)	(441,642)	(362,352)	(455,985)	(8,192)	(8,988)
Net current assets/(liabilities)	152,291	148,051	4,796	(3,223)	23,367	21,642
Non-current						
Assets	233,349	236,789	178,146	206,905	13,723	11,031
Liabilities	(214,585)	(224,476)	(123,664)	(97,056)	(12,847)	(10,449)
Net non-current assets	18,764	12,313	54,482	109,849	876	582
Net assets	171,055	160,364	59,278	106,626	24,243	22,224

Summarised statement of comprehensive income

	ALL Group		Real estate segment		NMK	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	471,581	319,008	94,728	61,350	33,017	34,283
Profit/(loss) before income tax	23,699	21,804	(48,381)	(34,339)	2,230	3,837
Income tax (expense)/ credit	(3,927)	(5,727)	6,808	1,502	(557)	(864)
Profit/(loss) after tax	19,772	16,077	(41,573)	(32,837)	1,673	2,973
Other comprehensive income	(1,540)	(763)	(2,067)	(11,967)	346	(1,334)
Total comprehensive income	18,232	15,314	(43,640)	(44,804)	2,019	1,639

13. Investment in subsidiaries (cont'd)

Summarised financial information about subsidiaries with material NCI (cont'd)

Other summarised information

	ALL Group		Real estate segment		NMK	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000	$'000	$'000
Net cash flows generated from/(used in) operations	16,331	(17,220)	52,507	20,043	2,308	3,004

Disposal of ownership interest in a subsidiary, without loss of control

(i) On 24 August and 25 August 2022, ALL purchased an aggregate of 884,000 shares, which are held as treasury shares in ALL.

(ii) On 25 August and 29 December 2022, the Company transferred an aggregate 3,794,500 ordinary shares in the capital of ALL to certain employees of the Company and/or its subsidiaries related to the performance bonus for the fiscal year ended 2021 and 2022.

(iii) On 31 August 2022, ALL transferred 1,100,800 treasury shares to eligible employees under the ALL Performance Share Plan.

(iv) On 30 September 2022, ALL issued an aggregate of 311,656,441 ordinary shares in its capital to the Company on completion of re-organisation of the Target Group.

Consequential to the abovementioned events, the Company's ownership interest in ALL increased from 62.56% to 70.74% as of 31 December 2022.

(v) On 5 July 2023, following ALL completed the acquisition of subsidiaries in FY2022, ALL issued 36,809,815 new ordinary shares to the Company at an issue price of S$0.16 for each earn-out consideration share in connection with the acquisition of the Target Group.

(vi) On 20 November 2023, ALL issued 2,982,209 new ordinary shares at an issue price of S$0.131 to eligible shareholders who have elected to participate in the ALL's scrip dividend scheme.

Consequential to the abovementioned events, the Company's ownership interest in ALL increased from 70.74% to 71.35% as of 31 December 2023.

Acquisition of Maxion Group

On 3 January 2023, the ALL Group completed the acquisition of 65% of the issued shares in the capital of Maxion Group, for a total cash consideration of up to $8,812,000 which comprise cash consideration of $5,943,000 and gross earn-out consideration of up to $2,869,000 which will be payable based on achievement of certain performance targets by Maxion Group.

The reason for the acquisition is to strengthen the Group's presence in Malaysia and provide opportunities for growth. The Group has elected to measure the non-controlling interest at the non-controlling interest's share of Maxion Group's net identifiable assets.

13. Investment in subsidiaries (cont'd)

Acquisition of Maxion Group (cont'd)

The fair value of the identifiable assets and liabilities of Maxion Group as at the acquisition date were:

	Fair value recognised on acquisition Total $'000
Property, plant and equipment	391
Right-of-use assets	458
Customer relationships	3,076
Inventories	5
Trade and other receivables	13,201
Cash and bank balances	342
	17,473
Trade and other payables	(94)
Amount due to related and other parties	(5,365)
Amount due to shareholders	(1,184)
Interest-bearing loans	(1,721)
Lease liabilities	(464)
Provision for taxation	(3)
Deferred tax liabilities	(764)
Total identifiable net assets at fair value	7,878
Non-controlling interest measured at the non-controlling interest's proportionate share of Maxion Group's net identifiable assets	(1,939)
Goodwill arising from acquisition	2,459
	8,398
Consideration transferred for the acquisition of Maxion Group	
Cash consideration	5,943
Contingent consideration	2,455
	8,398
Effect of the acquisition of subsidiaries on cash flows	
Cash consideration	5,943
Less: Cash and bank balances of subsidiaries acquired	(342)
Net cash outflow on acquisition	5,601

13. Investment in subsidiaries (cont'd)

Acquisition of Maxion Group (cont'd)

Derivative instrument issued as part of consideration transferred

As part of the transaction, ALL Group has also granted put options to the vendor of Maxion Group on completion of the acquisition in which the vendor may require ALL Group to purchase the remaining 35% interest in the shares of Maxion Group for a consideration based on the exercise price on the exercise date.

The put options allows the vendor to sell its equity interest in different tranches which will be exercisable between 1 January 2027 and 31 December 2032, provided that the ALL Group shall not be required to acquire more than 10% of the issued shares of Maxion Group in any one year. The fair value of put option is assessed to be immaterial as the fair value of the shares exceeds the exercise price.

Contingent consideration

As part of the purchase agreement, a contingent consideration has been agreed. Additional cash payments shall be payable to the non-controlling shareholder of:

- the amount equivalent to the aggregate of net profit after tax and interest cost for the first year after the acquisition date;

- the amount equivalent to the aggregate of net profit after tax and interest cost for the second year after the acquisition date plus any amount in the first year; and

- the amount equivalent to the aggregate of net profit after tax and interest cost for the first year after the acquisition date plus any amount in the second year.

Goodwill arising from acquisition

Goodwill arising from acquisition amounted to $2,459,000 due to the difference between the fair values of the identifiable assets and liabilities of Maxion Group, non-controlling interest measured at the non-controlling interest's proportionate share of Maxion Group's net identifiable assets and the total consideration transferred for the acquisition of Maxion Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

Impact to acquisition on profit of loss

From the acquisition date, Maxion Group contributed revenue of $10,978,000 and profit for the year of $1,374,000 respectively to the Group for the financial year ended 31 December 2023. The acquisition had taken place on 3 January 2023 and there would be no material impact on the Group's revenue and profit for the year had it taken place on 1 January 2023.

14. Investment in associates

The Group's investment in associates are summarised below:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Alchemist Studio & Associates Pte. Ltd.	20	–	–	–
Kensington Village Pte. Ltd.	5,150	5,760	–	–
Silver Bullion Pte. Ltd.	20,815	16,423	–	–
Niessing Schmuck-Kooperation GmbH & Co. KG	1,597	1,597	–	–
AF Global Limited	92,281	93,364	76,529	76,529
	119,863	117,144	76,529	76,529

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through subsidiaries				
Alchemist Studio & Associates Pte. Ltd. (v)	Singapore	Interior design consultancy and interior fit out/ renovation	30	–
Kensington Village Pte. Ltd. (i)	Singapore	Property development	40	40
Silver Bullion Pte. Ltd. (iii)	Singapore	Sale and storage of investment precious metals	23.99	24.10
Niessing Schmuck-Kooperation GmbH & Co. KG (iv)	Germany	Jewellery retailing	50	50
Held by the Company				
AF Global Limited (ii)	Singapore	Investment holding and provision of the management services	41.75	41.75

(i) Audited by Deloitte & Touche LLP

(ii) Audited by Ernst & Young LLP, Singapore

(iii) Audited by Foo Kon Tan LLP

(iv) Audited by Reviscon Gmbh

(v) Exempted from statutory audit

14. Investment in associates (cont'd)

The summarised financial information in respect of Kensington Village Pte. Ltd. ("**KEV**"), Silver Bullion Pte. Ltd. ("**SB**") and AF Global Limited ("**AFG**") based on their FRS financial statements and a reconciliation with the carrying amount of investments in the consolidated financial statements is as follows:

Summarised statement of financial position

	KEV		SB		AFG*	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000	$'000	$'000
Current assets	47,586	50,613	49,308	62,582	38,366	30,393
Non-current assets	9,640	9,770	69,789	31,471	279,054	287,903
Total assets	57,226	60,383	119,097	94,053	317,420	318,296
Current liabilities	39,888	40,270	32,748	22,952	21,495	27,236
Non-current liabilities	4,462	5,712	21,180	14,883	34,456	28,712
Total liabilities	44,350	45,982	53,928	37,835	55,951	55,948
Net assets	12,876	14,401	65,169	56,218	261,469	262,348
Less: Non-controlling interest	–	–	(1,298)	(1,321)	(52,595)	(50,805)
Net assets excluding non-controlling interest	12,876	14,401	63,871	54,897	208,874	211,543
Proportion of Group's ownership	40%	40%	23.99%	24.10%	41.75%	41.75%
Group's share of net assets	5,150	5,760	15,323	13,230	87,205	88,319
Goodwill on acquisition	–	–	5,492	5,492	–	–
Consolidation adjustments relating to previous interest held indirectly via AF Corporation Pte. Ltd.	–	–	–	–	11,480#	11,480#
Effects of adopting SFRS(I) 1	–	–	–	–	(5,536)	(5,706)
Other adjustments	–	–	–	(2,299)	(868)	(729)
Carrying amount of the investment	5,150	5,760	20,815	16,423	92,281	93,364

On 20 December 2019, AF Corporation Pte. Ltd. transferred its equity interests held in AFG to the Company. This amount represents the cumulative consolidation adjustments relating to the Group's investment in AFG recorded up to the date of transfer.

14. Investment in associates (cont'd)

Summarised statement of comprehensive income

	KEV		SB		AFG*	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	219	903	247,964	227,807	28,376	16,240
Profit/(loss) after tax after NCI	(1,526)	(641)	7,530	3,141	2,644	(553)
Total comprehensive income after NCI	(1,526)	(641)	7,459	3,042	(3,002)	(10,663)
Group's share of total comprehensive income, after-tax	(610)	(257)	4,392	733	(1,253)	(4,452)
Effects of adopting SFRS(I) 1	–	–	–	–	170	(194)

AFG

*Included in AFG's non-current assets is a 55% equity stake in a joint venture, Xuzhou YinJian LumChang Real Estate Development Co., Ltd ("**XZYJLC**"). As at 31 December 2022, due to the litigation between AFG and the joint venture partner that are undergoing court proceedings, AFG has been engaging in negotiations to sell its entire equity stake in XZYJLC to the joint venture partner since 2019. Accordingly, AFG has classified the investment in XZYJLC as a non-current asset measured at fair value through other comprehensive income in accordance with SFRS (I) 9 Financial Instruments. During the financial year ended 31 December 2023, the joint venture partner failed to complete the equity transfer agreement for the sale of AFG's equity interest in XZYJLC and AFG had applied for the compulsory liquidation of XZYJLC. On 25 September 2023, the AFG's application has been accepted by the court and XZYJLC has been placed into compulsory liquidation.

Management of AFG has adopted a risk-adjusted present value of the estimated share of liquidation proceeds expected upon the compulsory liquidation of the investee to be the best reasonable estimate of the fair value of the investment in XZYJLC. The determination of the risk-adjusted present value of the estimated share of liquidation proceeds requires the use of estimates. This includes the completeness of the assets and liabilities of XZYJLC as at end of the reporting period, the liquidation discount rate applied to the fair value of the real estate assets held by XZYJLC, duration of the liquidation process, anticipated outflows for liabilities and expenditures up to the winding-up date, and discount for the time value of money. These estimates are based on the best available information provided to the management from the liquidators and local market conditions existing at the end of the reporting period.

The investment in XZYJLC at fair value through other comprehensive income with carrying amount of $48,688,000 (2022: $50,627,000) is approximately 19% (2022: 19%) of the net assets of AFG. The net assets of AFG as at 31 December 2023 amount to $261,469,000 (2022: $262,348,000).

15. Investment in a joint venture

The Group's investment in a joint venture is summarised below:

	Group	
	2023	2022
	$'000	$'000
Goldheart Bullion Pte. Ltd.	–	685

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through a subsidiary				
Goldheart Bullion Pte. Ltd. [(a)]	Singapore	Inactive	–	51

(a) Voluntarily liquidated during the financial year ended 31 December 2023

16. Investment in joint operations

The Group has a 50% (2022: 50%) equity interest in the ownership and voting rights in two joint operations, Bayfront Ventures Pte. Ltd. and Bayfront Realty Pte. Ltd. that are held through a subsidiary, World Class Land Pte. Ltd..

All joint operations are incorporated in Singapore and are strategic ventures of the business. The subsidiary jointly controls the joint operations with the other partner under the contractual agreements which provide the subsidiary with rights to assets and obligations for the liabilities relating to the joint operations and requires unanimous consent for all major decisions over the relevant activities.

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2023	2022
			%	%
Held through a subsidiary				
Bayfront Ventures Pte. Ltd. [(a)]	Singapore	Property development	50	50
Bayfront Realty Pte. Ltd. [(a)]	Singapore	Property development	50	50

(a) Audited by Ernst & Young LLP, Singapore

17. Investment securities

Financial instruments

	Group	
	2023	**2022**
	$'000	$'000
Current		
At FVOCI		
- Equity securities (unquoted)	2,729	3,528
	2,729	3,528
At FVPL		
- Equity securities (quoted)	92	92
	2,821	3,620
Add:		
Non-current:		
At FVOCI		
- Debt securities (quoted)	555	573
- Equity securities (quoted)	545	1,302
- Equity securities (unquoted)	1,062	2,277
	2,162	4,152
At FVPL		
- Equity securities (unquoted)	39	31
	2,201	4,183
Total investment securities measured at FVOCI and FVPL	5,022	7,803

Investments pledged as security

A floating charge has been placed on investment securities with a carrying value of $1,191,000 (2022: $1,967,000) as security for bank borrowings (Note 25).

17. Investment securities (cont'd)

Investments in equity instruments designated at FVOCI

The fair value of each of the investments in equity instruments designated at FVOCI at the end of the reporting period is as follows:

	Group	
	2023	**2022**
	$'000	$'000
At FVOCI		
- Equity securities (quoted)		
Lippo Malls Indonesia Retail Trust	545	1,302
	545	1,302
At FVOCI		
- Equity securities (unquoted)		
Trinity House UK Commercial Property Fund 1 IC	2,729	3,528
Others	1,062	2,277
	3,791	5,805

The Group has elected to measure these equity securities at FVOCI due to the Group's intention to hold these equity instruments for long-term appreciation.

During the financial year ended 31 December 2023, the Group received total dividend income from unquoted equity securities at FVOCI amounting to $Nil (2022: $140,000).

During the financial year ended 31 December 2023, the Group acquired additional equity instruments designated at FVOCI amounting to $285,000 (2022: $225,000).

18. Inventories

	Group	
	2023	**2022**
	$'000	$'000
Consolidated statement of financial position:		
Finished goods, at cost or net realisable value	170,051	169,568
Raw materials, at cost	25,387	25,648
Packaging materials, at cost	843	843
Total inventories at lower of cost and net realisable value	196,281	196,059
Consolidated statement of comprehensive income:		
Inventories recognised as an expense in profit or loss	319,773	268,400
Inclusive of the following charge:		
Write-back of inventories	(266)	(448)

A floating charge has been placed on inventories with a carrying value of $95,475,000 (2022: $99,774,000) as security for bank borrowings (Note 25).

During the financial years ended 31 December 2023 and 2022, the write-back of inventories were made when the related inventories were sold above their carrying amounts.

19. Development properties and properties held for sale

(a) *Development properties*

	Group	
	2023	2022
	$'000	$'000
At cost		
At 1 January	163,705	218,803
Enhancement works incurred	3,568	867
Adjustment to costs incurred	148	(589)
Transferred to properties held for sales	(14,483)	(35,929)
Allowance for write-down of development properties	–	(8,371)
Write-back of allowance for write-down of development properties	–	739
Exchange differences	(3,236)	(11,815)
At 31 December	149,702	163,705

	Group	
	2023	2022
	$'000	$'000
Relating to development properties:		
- Located in Singapore	–	10,915
- Located outside of Singapore	149,702	152,790
	149,702	163,705

During the financial year ended 31 December 2023, borrowing costs amounting to $394,000 (2022: $222,000) arising from borrowings obtained specifically for the development properties were capitalised and included in development costs.

Development properties amounting to $99,614,000 (2022: $110,557,000) are pledged as security for bank borrowings (Note 25).

Development properties amounting to $14,483,000 (2022: $35,929,000) were transferred to properties held for sale during the financial year ended 31 December 2023. Immediately before the transfer to properties held for sale, during the financial year ended 31 December 2022, the net realisable value of the transferred development properties in Australia was estimated and an impairment loss of $8,371,000 was recognised. This amount was recognised in "Other operating expenses" line item of profit or loss for the financial year ended 31 December 2022.

During the financial year ended 31 December 2023, a write-back for allowance for write-down of development properties amounting to $Nil (2022: $739,000) was recognised in "Other income" line item of profit or loss.

The net realisable value of the development properties in Australia and Malaysia was based on the estimated selling price less estimated cost of completion and the estimated cost to make the sale.

19. Development properties and properties held for sale (cont'd)

(a) *Development properties (cont'd)*

Details of development properties held by the Group are as follows:

Location	Description and use	Land area (in square metres)	Estimated gross floor area (in square metres)	Tenure	Stage of completion/ development
WCL-Central Park (QLD) Pty. Ltd.					
Nova City 81-83 Spence Street and 112-114 Bunda Street, Cairns, Queensland, Australia	Mixed use development	25,874	115,510	Freehold	Planning and designing
WCL (CNS) CBD Pty. Ltd.					
17 Hartley Street and 6 Kenny Street, Cairns, Queensland, Australia	Mixed use development	16,351	88,295	Freehold	Planning and designing
WCL (QLD) Albert St Pty. Ltd.					
30 Albert Street and 131A Margaret Street, Brisbane, Queensland, Australia	Residential	2,007	76,301	Freehold	Planning and designing
World Class Land (Georgetown) Sdn. Bhd.					
240, 242, 244, 246, 248, 250, 252 & 254 Jalan Dato Kramat and 1, 3, 5, 7, 9, 9A & 9B Lebuh Melaka, Penang, Malaysia	Mixed use development	2,067	12,037	Freehold	Planning and designing
57, 59, 61, 63 & 65 Jalan Tan Sri Teh Ewe Lim and 1, 3, 5, 7, 9 & 11 Lorong Juru, Penang, Malaysia	Commercial	859	1,478	Freehold	Planning and designing
WCL (Magazine) Sdn. Bhd.					
Lots 18, 479, 480 & 10026 Seksyen 11W, Bandar Georgetown, Daerah Timur Laut and 119 Lebuh Noordin, Penang, Malaysia	Mixed use development	2,966	17,496	Freehold	Planning and designing
WCL (Macallum) Sdn. Bhd.					
4, 6, 8, 10, 12, 14, 16 & 18 Lebuh Katz, Penang, Malaysia	Mixed use development	1,470	7,415	Freehold	Planning and designing

19. Development properties and properties held for sale (cont'd)

(b) ***Properties held for sale***

	Group	
	2023	2022
	$'000	$'000
At cost		
At 1 January	221,769	238,166
Transferred from development properties	14,483	35,929
Properties sold during the year	(78,656)	(39,123)
Reversal of construction retention	(24)	–
Allowance for write-down of properties held for sale	–	(325)
Exchange differences	(4,544)	(12,878)
At 31 December	153,028	221,769

During the financial year, the Group carried out a review of the recoverable amount of its properties held for sale. An impairment loss of $Nil (2022: $325,000), representing the write-down of the properties held for sale to their recoverable amounts, was recognised in "Other operating expenses" line item of profit or loss. The recoverable amounts of properties held for sale were based on the price per square foot for each property derived from the external appraisers' proprietary databases of prices of transactions for properties of similar nature, location and condition as well as committed sale prices.

Details of the properties held for sale by the Group are as follows:

Location	Description and use	Land area (in square metres)	Estimated gross floor area (in square metres)	Tenure	Unexpired lease term
Bayfront Ventures Pte. Ltd.					
CityGate 371 Beach Road Singapore	Commercial units	7,269	3,141[(a)]	Leasehold	90 years
Dynamic Project Management Services Pte. Ltd.					
12 Barker Road, Singapore 309880	Residential	473	624	Freehold	–
World Class Land (Georgetown) Sdn. Bhd.					
Ropewalk Piazza 134, 136, 138, 140, 142, 144, 146, 148, 150, 152, 154 & 156 Jalan Pintal Tali, Penang, Malaysia	Commercial	1,085	1,712	Freehold	–
Bahari Parade 69, 71, 73, 75, 77, 79 & 81 Jalan Sri Bahari, Penang, Malaysia	Commercial	846	1,102	Freehold	–

19. Development properties and properties held for sale (cont'd)

(b) ***Properties held for sale (cont'd)***

Location	Description and use	Land area (in square metres)	Estimated gross floor area (in square metres)	Tenure	Unexpired lease term
World Class Land (Georgetown) Sdn. Bhd.					
Hutton Central					
128, 128A, 128B, 128C, 128D, 128E,128F and 128G Jalan Transfer, Penang, Malaysia	Commercial	487	776	Freehold	–
Hutton Suites					
2, 4, 6, 8 & 10 Jalan Hutton, Penang, Malaysia	Commercial	568	897	Freehold	–
WCL (Magazine) Sdn. Bhd.					
Magazine Vista					
237, 239, 241 & 243 Jalan Magazine and 2-G, 2-H & 2-I Jalan Gurdwara, Penang, Malaysia	Commercial	646	979	Freehold	–
WCL (Macallum) Sdn. Bhd.					
Macallum Central 51, 53, 55, 57, 59, 61, 63, 65, 67 & 69 Lebuh Macallum, Penang, Malaysia	Commercial	694	1,152	Freehold	–
WCL-Southbank (VIC) Pty. Ltd.					
Australia 108 68-82 Southbank Boulevard, Southbank, Melbourne, Victoria, Australia	Residential	2,642	138,282	Freehold	–

(a) Pertains to the gross floor area of units available for sale, whilst the land area represents the area covered by the CityGate development.

As at 31 December 2023, properties held for sale with a carrying value of $147,746,000 (2022: $221,769,000) are pledged as security for bank borrowings (Note 25).

20. Trade and other receivables

	Note	Group 2023	Group 2022	Company 2023	Company 2022
		$'000	$'000	$'000	$'000
Trade and other receivables (current)					
Trade receivables		405,281	367,867	–	–
Other debtors		81,572	23,987	28	49
Deposits		3,974	3,720	–	–*
		490,827	395,574	28	49
Trade and other receivables (non-current)					
Deposits		4,268	4,340	–	–
		4,268	4,340	–	–
Total trade and other receivables (current and non-current)		495,095	399,914	28	49
Add:					
Due from subsidiaries (non-trade)		–	–	280,276	162,182
Due from associates		3,152	2,279	112	5
Due from a joint venture (non-trade)		–	–*	–	–
Cash and bank balances	23	53,843	53,521	1,450	3,358
Less:					
GST receivables, net		(551)	(867)	–	–
Tax recoverable		–*	–*	–	–
Total financial assets at amortised cost		551,539	454,847	281,866	165,594

* Less than $1,000

Trade receivables of the Group's financial service business comprise pawnshop loans, interest receivables on pawnshop loans, secured lending receivables, and interest and distribution receivables on secured lending receivables. Other trade receivables relate to trade receivables of the Group's retail, real estate and other businesses.

Pawnshop loans are loans extended to customers under the pawnbroking business which are interest-bearing at rates ranging between 1.0% to 2.0% for the first month and 1.5% to 2.0% for the subsequent 6 months (2022: 1.0% to 1.5% for the first month and 1.5% for the subsequent 6 months). The quantum of loans granted to customers is based on a portion of the value of the collaterals pledged to the Group.

Secured lending receivables are measured at amortised cost using the effective interest rate method which are interest-bearing at rates ranging between 3.0% to 6.0% (2022: 3.0% to 16.0%) per annum and are secured by way of debenture over properties (2022: debenture over properties). These receivables have remaining maturities of 3 to 12 months (2022: 3 to 12 months).

Other debtors comprise mainly loans given to third parties and is non-interest bearing except for an amount of $73,885,000 (2022: $19,368,000) which bears interest at 9.50% to 15.00% (2022: 4.08%).

All other trade receivables are non-interest bearing and are on cash or generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

20. Trade and other receivables (cont'd)

A floating charge has been placed on trade and other receivables with a carrying value of $397,076,000 (2022: $354,201,000) as security for bank borrowings (Note 25).

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

	Group	
	2023	**2022**
	$'000	$'000
United States Dollar	48	119
Australian Dollar	1,895	2,969
Euro	8	4,455
Hong Kong Dollar	679	89

Expected credit losses

The movement in allowance for expected credit losses of trade receivables are as follows:

	Group	
	2023	**2022**
	$'000	$'000
Movement in allowance accounts:		
At 1 January	795	778
Charge for the year	5,366	4,050
Written-off	(5,366)	(4,033)
At 31 December	795	795

Receivables that are past due

The Group has no receivables that are past due as at 31 December 2023 and 2022.

21. Due from/(to) immediate holding company, subsidiaries, associates and a joint venture

Included in the amount due from associates is an amount of $52,000 (2022: $180,000) which is trade in nature.

The amounts due from/(to) immediate holding company, subsidiaries, associates and a joint venture are unsecured, receivable/repayable on demand and are to be settled in cash. These amounts are non-interest bearing except for amounts due from subsidiaries of $204,918,000 (2022: $98,371,000) which bear interest ranging from 5.77% to 7.24% (2022: 2.45% to 7.24%) per annum.

22. Derivatives

	Group 31 December 2023			Group 31 December 2022		
	$'000	$'000	$'000	$'000	$'000	$'000
	Contract notional amount	**Assets**	**Liabilities**	**Contract notional amount**	**Assets**	**Liabilities**
Forward currency contracts	143,027	1,518	(1,525)	87,422	754	(1,525)
Commodity swaps	30,609	–	(1,279)	–	–	–
Add:						
Equity securities (quoted) (Note 17)		92	–		92	–
Total financial assets at FVPL		1,610	(2,804)		846	(1,525)

As at 31 December 2023, the Group entered into foreign currency forward contracts mainly in Australian Dollar ("**AUD**") (2022: AUD and Euro), maturing within the next 12 months (2022: 12 months) to mitigate its exposure to foreign currency risks from AUD (2022: AUD and Euro) receivables. The Group entered into commodity swaps in US Dollar ("**USD**") (2022: USD) in order to hedge the financial risks related to the highly probable forecasted sale of commodities which is accounted for as cash flow hedges.

23. Cash and bank balances

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Cash at banks and on hand, representing cash and cash equivalents	52,857	51,509	1,450	3,358
Restricted cash	986	2,012	–	–
	53,843	53,521	1,450	3,358

Cash at banks earns interest at floating rates based on daily bank deposit rates.

23. Cash and bank balances (cont'd)

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

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
United States Dollar	76	75	–	–
Australian Dollar	821	1,218	9	9
British Pound	16	16	–	–
Euro	23	–*	–	–

* Less than $1,000

A floating charge has been placed on cash and bank balances with a carrying value of $21,215,000 (2022: $18,111,000) as security for bank borrowings (Note 25).

An amount of $986,000 (2022: $2,012,000) in restricted cash relates to reserve accounts held in escrow by a bank as collateral for loans granted and is mainly used for repayment of loan interest and related development expenditures.

Purchasers' deposit monies of AUD726,000 (equivalent to approximately $652,000) (2022: AUD2,126,000 (equivalent to approximately $1,942,000)) pertaining to an Australian development project are placed in escrow held by a third party. These balances are not included as assets of the Group as at 31 December 2023 and 2022. The Group will only have access to these funds upon handover of the development units to the purchasers.

24. Trade and other payables

	Note	Group		Company	
		2023	2022	2023	2022
		$'000	$'000	$'000	$'000
Current:					
Trade payables		10,189	14,329	17	–
Other payables		87,699	28,598	454	275
Amount due to a related party		15,650	15,750	11,400	11,500
Accrued operating expenses					
- payroll related		11,688	9,785	1,630	1,070
- property development		3,417	7,902	–	–
- interest		4,010	9,094	330	1,803
- others		7,576	6,285	336	439
Deposits received		3,423	4,494	–	–
Withholding tax payable		33	86	–	–
Dividend payable		–	5,416	–	5,416
Interest payable to perpetual securities holders		1,300	–	1,300	–
		144,985	101,739	15,467	20,503

24. Trade and other payables (cont'd)

	Note	Group		Company	
		2023	2022	2023	2022
		$'000	$'000	$'000	$'000
Non-current:					
Other payables					
- amount due to non-controlling shareholders of a subsidiary		110	4,832	–	–
- others		546	80	–	–
		656	4,912	–	–
Total trade and other payables (current and non-current)		145,641	106,651	15,467	20,503
Add:					
Due to immediate holding company (non-trade)	21	–	1,650	–	1,650
Due to subsidiaries (non-trade)	21	–	–	30,975	35,495
Due to an associate (non-trade)	21	79	117	–	–
Interest-bearing loans and borrowings	25	703,379	717,587	–	8,100
Medium-term notes	26	120,584	253,468	46,340	50,000
Less:					
GST payables, net		(2,326)	(2,537)	(17)	(31)
Accrued operating expenses					
- payroll related		(1,489)	(1,102)	(75)	(4)
- provision for reinstatement cost		(909)	(958)	–	–
Withholding tax payable		(33)	(86)	–	–
Total financial liabilities carried at amortised cost		964,926	1,074,790	92,690	115,713

Trade and other payables are unsecured, non-interest bearing and repayment is based on payment terms and conditions agreed except for the amount of $73,460,000 (2022: $19,764,000) which bears interest at range of 9.50% to 15.00% (2022: 4.28% to 6.00%) per annum.

Amount due to non-controlling shareholders of a subsidiary is unsecured, interest-free and not expected to be repaid in the next 12 months.

Amount due to a related party is unsecured, interest-free, repayable on demand, and to be settled in cash.

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

	Group	
	2023	2022
	$'000	$'000
United States Dollar	3,098	7,061
Hong Kong Dollar	488	1,579
Euro	823	860
Renminbi	757	–

25. Interest-bearing loans and borrowings

	Note	Group		Company	
		2023	2022	2023	2022
		$'000	$'000	$'000	$'000
Current					
Bank borrowings		380,083	346,152	–	8,100
Term loans		122,457	200,556	–	–
		502,540	546,708	–	8,100
Non-current					
Term loans		200,839	170,879	–	–
		703,379	717,587	–	8,100
Add:					
Medium-term notes	26	120,584	253,468	46,340	50,000
Total loans and borrowings		823,963	971,055	46,340	58,100

(a) ***Details of securities granted for the loans and borrowings are as follows:***

Interest-bearing loans and borrowings comprise bank borrowings of $450,454,000 (2022: $407,975,000) and term loans of $252,925,000 (2022: $309,612,000).

(i) Bank borrowings of $331,374,000 (2022: $293,914,000) are secured by way of a fixed and floating charge on all assets of certain subsidiaries and corporate guarantees by the subsidiary.

(ii) Revolving loans of $30,500,000 (2022: $25,000,000) bear interest ranging from 4.28% to 5.92% (2022: 1.80% to 5.92%) per annum and are secured by way of a fixed and floating charge on all assets of certain subsidiaries or corporate guarantees by the Company and/or subsidiaries. These loans are repayable on demand.

(iii) Revolving loans of $Nil (2022: $8,100,000) bear interest ranging from 4.34% to 5.88% (2022: 1.51% to 5.88%) per annum are secured by way of charge on certain subsidiaries and associate's shares held by the Company.

(iv) Term loans and short-term bank borrowing of $112,167,000 (2022: $115,947,000) bear interest ranging from 0.96% to 7.89% (2022: 0.96% to 6.50%) per annum and are secured by way of legal mortgage over the freehold and leasehold properties. The term loans are repayable in 2025 to 2041 (2022: 2025 to 2041).

(v) Term loans of $5,525,000 (2022: $4,660,000) bear interest ranging from 1.00% to 4.89% (2022: 1.00% to 2.45%) per annum and are secured by way of charge on trade receivables and inventories.

(vi) Term loans of $11,386,000 (2022: $17,306,000) bear interest ranging from 2.00% to 2.50% (2022: 2.00% to 2.50%) per annum and are secured by way of corporate guarantee by the Company and/or subsidiaries.

25. Interest-bearing loans and borrowings (cont'd)

(a) ***Details of securities granted for the loans and borrowings are as follows: (cont'd)***

(vii) Interest bearing loans and borrowings of $212,297,000 (2022: $252,619,000) bear interest ranging from 4.09% to 6.85% (2022: 1.63% to 6.60%) per annum and are secured by way of:

- legal mortgages over the subsidiaries' property, plant and equipment (Note 10), development properties (Note 19(a)), properties held for sale (Note 19(b)) and investment properties (Note 11);
- legal assignments of subsidiaries' interest under the Sale and Purchase agreements and tenancy agreements in respect of the units therein which includes the assignment of all the sale and rental proceeds;
- fixed and floating charge on all assets of certain subsidiaries;
- guarantees by non-controlling interests of a subsidiary;
- a joint corporate guarantee by the joint operation partners;
- personal guarantees by the subsidiary's director; and/or
- corporate guarantees by the Company and/or subsidiaries.

The loans include financial covenants which require the subsidiaries/joint operations to achieve sales per square feet above a certain price and to maintain aggregate outstanding debt secured against the properties not exceeding 35.0% to 80.0% (2022: 45.0% to 80.0%) of the security value of the relevant properties at all times.

(b) ***Maturity of borrowings***

Loans due after one year are estimated to be repayable as follows:

	Group	
	2023	**2022**
	$'000	$'000
Years after end of reporting period:		
After one year but within two years	81,746	22,254
After two years but within five years	44,065	72,223
After five years	75,028	76,402
	200,839	170,879

26. Medium-term notes

			Aggregate principal amount outstanding			
			Group		Company	
Date issued	Interest rate	Maturity dates	2023	2022	2023	2022
	%		$'000	$'000	$'000	$'000
Current						
22 January 2021 [2]	6.15	22 January 2024	9,250	–	–	–
1 July 2021 [2]	6.00	1 July 2024	6,230	–	–	–
			15,480	–	–	–
Non-current						
22 January 2021 [2]	6.15	22 January 2024	–	75,000	–	–
1 July 2021 [2]	6.00	1 July 2024	–	68,941	–	–
20 March 2020 [3]	6.50 & 6.75	20 March 2025	13,964	50,000	13,964	50,000
24 January 2022 [1]	6.05	24 January 2025	59,764	59,527	–	–
21 December 2023 [4]	6.50	21 December 2025	31,376	–	32,376	–
			105,104	253,468	46,340	50,000
Total medium-term notes			120,584	253,468	46,340	50,000

Note:

(1) In 2017, a subsidiary of the Company established a Multicurrency Medium Term Note programme ("**MTN Programme**"), under which the subsidiary may issue notes from time to time. Unless previously redeemed or purchased and cancelled, the medium-term notes are redeemable at the principal amounts on the maturity date and interest is payable semi-annually. The medium-term notes issued by the subsidiary under the MTN Programme are unsecured.

In January 2022, the subsidiary issued an updated Information Memorandum in relation to the MTN Programme and issued a Notice of Tender for Series 002 Notes of $7,000,000 and Exchange Offer Exercise (the "**Exercise**") Series 002 note holder of $23,250,000.

Upon completion of the Exercise on 24 January 2022, the subsidiary issued $60,000,000 6.05% notes due January 2025 (Series 003 Notes) comprising $23,250,000 in aggregate principal amount of Exchange Offer Notes and $36,750,000 additional notes.

The remaining Series 002 Notes of $15,000,000 are fully redeemed by the subsidiary on maturity.

(2) During the financial year ended 31 December 2018, unsecured medium-term notes issued by a subsidiary of the Company under the Multicurrency Debt and Issuance Programme ("**MDI Programme**") amounted to $100,000,000. During the financial year ended 31 December 2020, unsecured medium-term notes issued by the subsidiary of the Company under the MDI programme amounted to $65,000,000 (to be consolidated and form a single series with the existing $50,000,000 6.25% Notes due 2021 issued on 11 October 2018). As at 31 December 2020, $3,000,000 medium-term notes had been purchased and held by subsidiaries of the Company.

On 4 January 2021, the subsidiary issued a Notice of Exchange Offer Exercise to note holders on the Series 005 and 006 Notes. Upon completion of the Exchange Offer, $64,750,000 principal amount of the existing notes were offered for exchange for Series 008 New Notes. The subsidiary received interest from investors for additional notes (Series 008 Notes) of $10,250,000. The subsidiary issued $75,000,000 6.15% medium-term notes due 2024 on 22 January 2021.

During the financial year ended 31 December 2021, unsecured medium-term notes amounting to $2,750,000 were cancelled by the subsidiary of the Company. On 19 April 2021, $19,000,000 unsecured medium-term notes were redeemed by the Group.

26. Medium-term notes (cont'd)

Note (cont'd):

On 11 June 2021, the subsidiary issued a Notice of Tender and Exchange Offer Exercise to note holders on the Series 006 Notes. Upon completion of the Tender Offer, $2,250,000 principal amount of the existing notes were offered for sale and accepted by the subsidiary. $66,000,000 principal amount of existing notes were offered for exchange for Series 009 Notes. Following the cancellation of Tender offered notes, the aggregate outstanding existing Series 006 Notes is $10,250,000. In addition to the $66,000,000 principal amount of Exchange Offer Notes, the subsidiary received interest from investors for additional notes (Series 009 Notes) of $4,000,000. The subsidiary issued $70,000,000 6.00% medium-term notes due 2022 on 1 July 2021.

On 11 October 2021, $10,250,000 unsecured medium-term notes were redeemed by the Group.

On 19 May 2022, a subsidiary and the Company extended the maturity date of Series 009 Notes by two years from 1 July 2022 to 1 July 2024 through a resolution in writing passed on behalf of the holders of the Series 009 Notes representing not less than 90 percent of the holders. As at 31 December 2022, $1,000,000 medium-term notes had been purchased and held by the subsidiary.

On 17 October 2023, a subsidiary and the Company issue a Notice of Exchange Offer exercise to note holders on the Series 007, 008 and 009 Notes. Upon completion of the Exchange Offer, $42,250,000 principal amount of the Series 008 Notes and $59,000,000 principal amount of the Series 009 Notes, amounting to $101,250,000, were offered for exchange for fixed rate subordinated perpetual securities.

On 14 November 2023, a subsidiary and the Company issue a Notice of Exchange Offer exercise to note holders on the Series 007, 008 and 009 Notes. Upon completion of the Exchange Offer, $23,500,000 principal amount of the Series 008 Notes and $4,750,000 principal amount of the Series 009 Notes were offered for exchange for Series 011 New Notes.

The remaining Series 008 Notes of $9,250,000 are fully redeemed by the subsidiary on maturity.

(3) During the financial year ended 31 December 2020, unsecured medium-term notes issued by the Company under the MDI Programme amounted to $50,000,000 (Series 007 Notes). On 30 November 2022, the Company extended the maturity date by two years from 20 March 2023 to 20 March 2025 through a resolution in writing passed on behalf of the holders of the Series 007 Notes representing not less than 90 percent of the holders. The interest rate of the term notes was revised from 6.50% to 6.75% per annum for its extended tenure for the period beginning on the original maturity date of 20 March 2023. On 1 December 2022, the Company invite noteholders who did not sign the resolution in writing to offer to sell their outstanding Series 007 Notes (either in whole or in part) back to the Company at par on the original maturity date. Since the date of the Invitation (being 1 December 2022) up to (and including) the original maturity date, it has repurchased $250,000 in aggregate principal amount of the Series 007 Notes pursuant to the Invitation.

On 17 October 2023, a subsidiary and the Company issue a Notice of Exchange Offer exercise to note holders on the Series 007, 008 and 009 Notes. Upon completion of the Exchange Offer, $31,500,000 principal amount of the Series 007 Notes were offered for exchange for fixed rate subordinated perpetual securities.

On 14 November 2023, a subsidiary and the Company issue a Notice of Exchange Offer exercise to note holders on the Series 007, 008 and 009 Notes. Upon completion of the Exchange Offer, $4,500,000 principal amount of the Series 007 Notes were offered for exchange for Series 011 New Notes.

(4) On 14 November 2023, a subsidiary and the Company issue a Notice of Exchange Offer exercise to note holders on the Series 007, 008 and 009 Notes. Upon completion of the Exchange Offer, $32,750,000 principal amount of the Series 007, 008 and 009 Notes were offered for exchange for Series 011 New Notes. As at 31 December 2023, $1,250,000 medium-term notes had been exchanged from Series 007 and Series 009 Notes to Series 011 New Notes and held by a subsidiary and the Company.

Interest is payable semi-annually. Unless previously redeemed or purchased and cancelled, the medium-term notes are redeemable at the principal amounts on their respective maturity dates.

26. Medium-term notes (cont'd)

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

	2022	Net cash flows from financing activities	Non-cash changes					2023
			Foreign exchange movement	Acquisition of subsidiaries	Medium-term notes issuance fee	Amortisation of medium-term notes issuance fee	Exchange of perpetual securities	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Medium-term notes	253,468	(250)	–	–	(184)	300	(132,750)	120,584
Interest-bearing loans and borrowings	717,587	(10,305)	(5,624)	1,721	–	–	–	703,379
Total	971,055	(10,555)	(5,624)	1,721	(184)	300	(132,750)	823,963

	2021	Net cash flows from financing activities	Non-cash changes			2022
			Foreign exchange movement	Medium-term notes issuance fee	Amortisation of medium-term notes issuance fee	
	$'000	$'000	$'000	$'000	$'000	$'000
Medium-term notes	240,250	13,750	–	(914)	382	253,468
Interest-bearing loans and borrowings	726,591	6,412	(15,416)	–	–	717,587
Total	966,841	20,162	(15,416)	(914)	382	971,055

27. Leases

Group as a lessee

The Group has lease contracts for land, leased properties, motor vehicles, machinery, tools & equipment, security equipment & office equipment and computer software. Land and leased properties generally have lease terms of 37 years and between 1 to 10 years respectively while other assets have lease terms of 1 to 6 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of leased properties and motor vehicles with lease terms of 12 months or less and leases of vehicles with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

27. Leases (cont'd)

Group as a lessee (cont'd)

(a) ***Carrying amounts of right-of-use assets***

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Group	Land	Leased properties	Motor vehicles	Machinery, tools & equipment	Security equipment & office equipment	Computer software	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:							
At 1 January 2022	7,628	135,238	319	1,866	58	133	145,242
Additions	–	8,114	19	865	–	–	8,998
Modification	–	23,974	–	–	–	–	23,974
Termination	–	(7,484)	–	–	–	–	(7,484)
Expiry of lease	–	–	(18)	(566)	(55)	–	(639)
Exchange differences	–	(602)	(20)	(118)	(3)	(8)	(751)
At 31 December 2022 and 1 January 2023	7,628	159,240	300	2,047	–	125	169,340
Additions	–	9,943	357	377	221	234	11,132
Acquisition of subsidiary (Note 13)	–	458	–	–	–	–	458
Transferred to property, plant and equipment	–	–	–	(354)	–	–	(354)
Modification	588	15,079	–	–	–	–	15,667
Termination	–	(1,808)	–	–	–	(134)	(1,942)
Expiry of lease	–	–	(31)	(402)	–	–	(433)
Exchange differences	–	(217)	4	31	–	1	(181)
At 31 December 2023	8,216	182,695	630	1,699	221	226	193,687

27. Leases (cont'd)

Group as a lessee (cont'd)

(a) ***Carrying amounts of right-of-use assets (cont'd)***

Group	Land	Leased properties	Motor vehicles	Machinery, tools & equipment	Security equipment & office equipment	Computer software	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated depreciation and impairment:							
At 1 January 2022	434	62,937	148	1,341	43	94	64,997
Depreciation	209	23,958	88	376	14	30	24,675
Termination	–	(4,050)	–	–	–	–	(4,050)
Impairment	–	189	–	–	–	–	189
Expiry of lease	–	–	(18)	(566)	(55)	–	(639)
Exchange differences	–	(289)	(11)	(90)	(2)	(6)	(398)
At 31 December 2022 and 1 January 2023	643	82,745	207	1,061	–	118	84,774
Depreciation	237	23,332	105	345	32	49	24,100
Transferred to property, plant and equipment	–	–	–	(354)	–	–	(354)
Termination	–	(290)	–	–	–	(130)	(420)
Expiry of lease	–	–	(31)	(402)	–	–	(433)
Exchange differences	–	(180)	3	17	–*	1	(159)
At 31 December 2023	880	105,607	284	667	32	38	107,508
Net carrying amount:							
At 31 December 2022	6,985	76,495	93	986	–	7	84,566
At 31 December 2023	7,336	77,088	346	1,032	189	188	86,179

* Less than $1,000

27. Leases (cont'd)

Group as a lessee (cont'd)

(b) ***Lease liabilities***

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group	
	2023	**2022**
	$'000	$'000
As at 1 January	87,110	82,889
Cash flow:		
- Payments	(26,674)	(26,706)
Non-cash changes:		
- Additions	11,132	8,998
- Accretion of interest (Note 6)	2,401	2,090
- Modification	15,667	23,838
- Termination	(1,546)	(3,540)
- Acquisition of subsidiaries	464	–
Exchange difference	(109)	(459)
As at 31 December	88,445	87,110
Current portion	22,975	22,550
Non-current portion	65,470	64,560
	88,445	87,110

The maturity analysis of lease liabilities is disclosed in Note 36(a).

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

The following are the amounts recognised in profit or loss:

	Group	
	2023	**2022**
	$'000	$'000
Depreciation of right-of-use assets	24,100	24,675
Impairment of right-of-use assets	–	189
Interest expense on lease liabilities	2,401	2,090
Gain on modification and termination of lease contracts	(24)	(243)
Expense relating to short-term leases and leases of low-value assets (included in other operating expenses)	437	209
Variable lease payments (included in other operating expenses)	1,026	900
COVID-19-related rent concessions	(212)	(113)
Total amount recognised in profit or loss	27,728	27,707

27. Leases (cont'd)

Group as a lessee (cont'd)

(d) ***Total cash outflows***

The Group had total cash outflows for leases amounting to $27,925,000 (2022: $27,702,000) in 2023.

The Group has entered into lease agreements for retail outlets with lease terms that have not yet commenced as at 31 December 2023. The future lease payments for these non-cancellable lease contracts are $800,000 (2022: $560,000) within one year, $5,420,000 (2022: $4,047,000) within five years and $2,210,000 (2022: $1,535,000) thereafter.

Group as a lessor

The Group has entered into commercial property leases on its leasehold building and standing property at the development site acquired for development properties. The non-cancellable leases on its standing property have remaining lease terms of less than 3 years (2022: 3 years).

Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2023	**2022**
	$'000	$'000
Not later than one year	4,654	3,086
Later than one year but not later than five years	3,910	2,357
	8,564	5,443

28. Income tax expense

(a) ***Major components of income tax expense***

The major components of income tax expense for the years ended 31 December 2023 and 2022 are:

	Group	
	2023	**2022**
	$'000	$'000
Consolidated statement of comprehensive income		
Current income tax		
– Current income taxation	8,579	9,980
– (Over)/under provision in respect of previous years	(83)	903
– Withholding tax	(2,108)	(191)
	6,388	10,692
Deferred income tax		
– Origination and reversal of temporary differences	(7,044)	(2,878)
– (Over)/under provision in respect of previous years	(775)	427
	(7,819)	(2,451)
Income tax expense recognised in profit or loss	(1,431)	8,241
Deferred tax credit related to other comprehensive income		
– Net loss on fair value changes on equity instruments	(129)	(266)
– Net (loss)/gain on fair value changes on debt instruments	(13)	9
	(142)	(257)

28. Income tax expense (cont'd)

(b) ***Relationship between tax expense and loss before tax***

The reconciliation between tax expense and the product of loss before tax multiplied by the applicable corporate tax rate for the years ended 31 December 2023 and 2022 are as follows:

	Group	
	2023	**2022**
	$'000	$'000
Loss before tax	(18,531)	(3,505)
Tax at the domestic rates applicable to profits in the countries where the Group operates	(5,681)	(2,838)
Adjustments:		
– Non-deductible expenses	7,370	7,027
– Income not subject to taxation	(1,001)	(501)
– Deferred tax assets not recognised	1,729	3,601
– Effect of partial tax exemption and tax relief	(384)	(424)
– (Over)/under provision in respect of previous years	(858)	1,330
– Share of results of associates and a joint venture	(839)	5
– Disposal of equity instruments carried at FVOCI, which are not recycled to profit or loss	–	(10)
– Withholding tax	(2,108)	(191)
– Differences in effective tax rate in other countries	231	–
– Effect of foreign tax credit	–	(14)
– Others	110	256
Income tax (credit)/expense recognised in profit or loss	(1,431)	8,241

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

(c) ***Deferred income tax***

	Group	
	2023	**2022**
	$'000	$'000
Balance at 1 January	30,460	34,100
Acquisition of subsidiaries	764	–
Tax credited to profit or loss	(6,669)	(1,934)
Tax credited to other comprehensive income	(142)	(257)
(Over)/under provision in previous years	(775)	427
Translation difference	(393)	(1,876)
Balance at 31 December	23,245	30,460

28. Income tax expense (cont'd)

(c) ***Deferred income tax (cont'd)***

Deferred income tax relates to the following:

Deferred tax (assets)/liabilities, net

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Differences in depreciation for tax purposes	2,195	1,559	5	12
Lease liabilities	(14,257)	(13,978)	–	–
Right-of-use assets	13,889	13,671	–	–
Uncompleted project expenses	15,923	22,634	–	–
Revaluations to fair value:				
– Investment properties	5,511	5,511	–	–
– Debt and equity securities held at FVOCI	(623)	(481)	–	–
Provisions	2,342	2,150	(13)	(1)
Unutilised tax losses and allowances	(734)	(479)	–	–
Allowance for expected credit losses	(301)	–	–	–
Intangible assets	(590)	–	–	–
Others	(110)	(127)	–	–
	23,245	30,460	(8)	11

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current income tax assets and current income tax liabilities and when deferred tax relate to the same fiscal authority. The amounts of deferred tax assets and liabilities determined after appropriate offsetting are as follows:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Deferred tax liabilities	25,707	32,503	–	11
Deferred tax assets	(2,462)	(2,043)	(8)	–
	23,245	30,460	(8)	11

At the end of the reporting period, the Group has unutilised tax losses and unabsorbed capital allowances of approximately $34,971,000 (2022: $30,265,000) and $344,000 (2022: $306,000) that are available for offset against future taxable profits of the Group, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these balances is subject to the agreement of the tax authorities and compliance with the relevant provisions of the tax legislation of the respective countries in which the companies operate.

The subsidiaries of the Group transferred tax losses of approximately $2,198,000 (2022: $4,629,000) to other subsidiaries within the Group and related companies under the group relief system, subject to compliance with the relevant rules and agreement of Inland Revenue Authority of Singapore.

<u>Tax consequences of proposed dividends</u>

There are no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 31).

29. Share capital, treasury shares and other reserves

(a) ***Share capital***

	Group and Company			
	2023		2022	
	No. of shares '000	$'000	No. of shares '000	$'000
Issued and fully paid ordinary shares				
At 1 January	2,171,578	267,574	2,171,578	267,574
Scrip Dividend Scheme (1)	67,056	4,492	–	–
Balance at 31 December	2,238,634	272,066	2,171,578	267,574

Note:

(1) On 17 July 2023, the Company issued 67,056,213 new shares at an issue price of S$0.067 per share to eligible Shareholders who have elected to participate in the Company's scrip dividend scheme.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

(b) ***Treasury shares***

	Group and Company			
	2023		2022	
	No. of shares '000	$'000	No. of shares '000	$'000
At 1 January	8,140	1,704	5,384	1,482
Share buyback	7,599	599	2,756	222
Balance at 31 December	15,739	2,303	8,140	1,704

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

29. Share capital, treasury shares and other reserves (cont'd)

(c) ***Other reserves***

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Gain on reissuance of treasury shares	913	913	913	913
Discount on dilution of interests in subsidiary	11,255	11,465	–	–
Foreign currency translation reserve	(24,619)	(22,215)	–	–
Premium paid on acquisition of non-controlling interests	(29,894)	(29,894)	–	–
Fair value adjustment reserve	(15,048)	(10,568)	–	–
Change in ownership interest in subsidiary without a change in control	1,960	1,855	–	–
Hedging reserve	(914)	(49)	–	–
	(56,347)	(48,493)	913	913

Gain on reissuance of treasury shares

This represents the gain arising from the purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

Discount on dilution of interests in subsidiary

This represents the difference between the consideration received and the carrying value of non-controlling interests adjusted upon dilution of interests in subsidiary.

Premium paid on acquisition of non-controlling interests

This represents the difference between the consideration paid and the carrying value of non-controlling interests adjusted upon acquisition of interests in subsidiary.

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of financial assets until they are disposed of or impaired.

Hedging reserve

Hedging reserve represents the cumulative fair value changes on foreign currency forward contracts.

30. Perpetual securities

On 17 October 2023, a subsidiary and the Company issued a Notice of Exchange Offer Exercise to the holders of the outstanding Series 007 Notes, Series 008 Notes and Series 009 Notes, inviting them to offer to exchange their notes for a like principal amount of fixed rate subordinated perpetual securities. Following the expiration of the invitation, $31,500,000 in principal amount of the Series 007 Notes, $42,250,000 in principal amount of the Series 008 Notes and $59,000,000 in principal amount of the Series 009 Notes were offered for exchange for fixed rate subordinated perpetual securities. On 7 November 2023, the Company issued the subordinated perpetual securities with an aggregate principal amount of $132,750,000 (the "**Perpetual Securities**").

The distribution rate for the Perpetual Securities is 6.50% per annum for the first 3 years (i.e. from (and including) the date of issuance to (but excluding) the step-up date), and 6.70% per annum for the next 2 years (i.e. from (and including) the step-up date to (but excluding) the first reset date). If the Perpetual Securities are not redeemed on the first reset date (being the date falling 5 years from date of issuance), the distribution rate will be reset on the first reset date and every five years thereafter.

The Perpetual Securities do not have a maturity date and the Company is able to elect to defer paying the distribution to the Perpetual Securities holders, subject to the terms and conditions of the Perpetual Securities. The Company is not considered to have a contractual obligation to make principal repayments in respect of the Perpetual Securities issued and as such the Perpetual Securities do not meet the definition to be classified as a financial liability. Accordingly, the Perpetual Securities are presented within equity on the Group's and the Company's statement of financial position and the distributions to the holders of the Perpetual Securities of $1,300,000 are treated as dividends which was directly debited from equity.

31. Dividends

	Group
	$'000
Dividends on ordinary shares declared and payable/paid during the year:	
Financial year ended 31 December 2022	
– Final exempt (one-tier) dividend for FY2021: 0.25 cent per share	5,416
	5,416

32. Related party transactions

(a) ***Sale and purchase of goods, services and shares***

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

	Group	
	2023	**2022**
	$'000	$'000
Income:		
Rental received from an associate	156	167
Management fee received from an associate	488	488
Sales of goods to an associate	8,968	9,369
Expenses:		
Goods purchased from an affiliated Company	–	1,190
Marketing income paid to an associate	114	224

32. Related party transactions (cont'd)

(b) ***Compensation of key management personnel***

	Group	
	2023	**2022**
	$'000	$'000
Short-term employee benefits	4,415	4,452
Defined contributions plan	133	135
Share-based payments	–	80
Total compensation paid to key management personnel	4,548	4,667
Comprise amounts paid to:		
Directors of the Company	1,228	1,175
Directors of the subsidiaries	813	856
Other key management personnel	2,507	2,636
	4,548	4,667

33. Commitments

Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2023	**2022**
	$'000	$'000
Capital commitments in respect of property development expenditure	2,702	5,916

The Group has capital expenditure contracted for as at 31 December 2023 but not recognised in the financial statements of $14,000 (2022: $24,000) and $173,000 (2022: $144,000) for software development and new outlet renovation.

34. Contingencies

Guarantees

The Company has provided the following guarantees at the end of the reporting period:

- It has guaranteed its interest in its share of the bank loans of joint operations amounting to $27,154,000 (2022: $19,137,000).
- It has guaranteed part of the loans and borrowings of the associates to a maximum amount of $14,575,000 (2022: $15,112,000), of which it is severally liable for in the event of default by the associates.
- It has guaranteed the obligations of a subsidiary for notes amounting to total principal amount of $15,500,000 (2022: $144,000,000).

The Company has provided corporate guarantees to banks for an aggregate of $193,883,000 (2022: $137,097,000) in respect of bank borrowings drawn down by certain subsidiaries, joint operations and associates (Note 25).

35. Segment information

Business segments

The segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services offered. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group is organised into three main operating business segments, namely:

(a) Retail of jewellery;

(b) Real estate business; and

(c) Financial service and secured lending business.

Other operations include rental of properties and provision of other support services.

Allocation basis and transfer pricing

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

Transfer prices between operating segments are based on contractual agreements. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Capital expenditure comprises additions to property, plant and equipment.

35. Segment information (cont'd)

	Retail	Real estate	Financial service and secured lending	Others	Elimination	Group	Note
	$'000	$'000	$'000	$'000	$'000	$'000	
2023							
Revenue	441,154	94,728	64,116	–	–	599,998	
Inter-segment revenue	15	–	62,165	–	(62,180)	–	A
Results							
Segment results	19,284	(21,324)	30,864	7,058	(6,892)	28,990	
Unallocated expenses	–	–	–	–		(266)	
Share of results of a joint venture	(15)	–	–	–		(15)	
Share of results of associates	4,517	(610)	–	1,177		5,084	
Interest income	639	358	5	22,534	(22,558)	978	
Finance costs	(6,581)	(26,805)	(17,758)	(24,897)	22,739	(53,302)	
Profit/(loss) before tax from operations	17,844	(48,381)	13,111	5,872		(18,531)	
Segment assets	320,637	540,144	484,555	996,131	(862,693)	1,478,774	B
Investment in associates	22,412	5,150	–	92,301		119,863	
Total assets	343,049	545,294	484,555	1,088,432		1,598,637	
Segment liabilities	249,122	486,016	416,251	529,984	(585,882)	1,095,491	C
Total liabilities						1,095,491	
Capital expenditure	5,562	4,346	1,276	877	–	12,061	
Depreciation and amortisation	19,633	629	9,729	3,946	–	33,937	
Other significant non-cash expenses/(income)	98	(546)	5,417	(55)	–	4,914	D

35. Segment information (cont'd)

	Retail	Real estate	Financial service and secured lending	Others	Elimination	Group	Note
	$'000	$'000	$'000	$'000	$'000	$'000	
2022							
Revenue	391,238	61,350	53,648	–	–	506,236	
Inter-segment revenue	22	–	44,727	–	(44,749)	–	A
Results							
Segment results	32,504	(10,474)	19,074	100,287	(104,122)	37,269	
Unallocated expenses	–	–	–	–	–	(266)	
Share of results of joint ventures	28	–	–	61	(123)	(34)	
Share of results of associates	1,540	(267)	–	(165)	–	1,108	
Interest income	612	570	–	19,475	(19,322)	1,335	
Finance costs	(3,423)	(24,168)	(9,728)	(24,920)	19,322	(42,917)	
Profit/(loss) before tax from operations	31,261	(34,339)	9,346	94,738		(3,505)	
Segment assets	321,184	653,908	432,500	997,937	(909,075)	1,496,454	B
Investment in joint ventures	685	–	–	–		685	
Investment in associates	18,020	5,760	–	93,364		117,144	
Total assets	339,889	659,668	432,500	1,091,301		1,614,283	
Segment liabilities	248,278	553,042	384,078	652,826	(620,307)	1,217,917	C
Total liabilities						1,217,917	
Capital expenditure	9,840	6,217	1,640	380	–	18,077	
Depreciation and amortisation	18,476	286	11,141	3,352	–	33,255	
Other significant non-cash (income)/expenses	(1,387)	1,595	4,615	(373)	2,912	7,362	D

35. Segment information (cont'd)

Notes

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:

	Group	
	2023	**2022**
	$'000	$'000
Inter-segment assets	862,693	909,075

C The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	Group	
	2023	**2022**
	$'000	$'000
Inter-segment liabilities	585,882	620,307

D Other non-cash expenses comprise mainly the following items as presented in the respective notes to the financial statements.

	Group	
	2023	**2022**
	$'000	$'000
Property, plant and equipment written-off	367	235
Intangible assets written-off	115	–
Net fair value gain on investment properties	(282)	(1,570)
Write-back of allowance for write-down on development properties	–	(739)
Reversal of impairment on investment securities, net	(74)	(20)
Write-back of inventories	(266)	(448)
Allowance for write-down of development properties	–	8,371
Allowance for write-down of properties held for sale	–	325
Allowance for expected credit loss on trade and other receivables	5,366	4,050
Fair value gain on investment securities	(8)	(1,291)
Impairment loss on property, plant and equipment	79	526
Impairment loss on right-of-use assets	–	189
Net fair value gain on derivatives	(383)	(2,266)
	4,914	7,362

35. Segment information (cont'd)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Group			
	Revenue		Non-current assets	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Singapore	452,146	393,472	270,995	280,170
Australia	85,093	63,396	37,832	63,828
Malaysia	24,659	7,017	91,842	86,451
Greater China	6,045	7,782	1,056	2,126
Europe	32,055	34,569	13,705	11,013
	599,998	506,236	415,430	443,588

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, investment properties and intangible assets.

36. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include liquidity risk, interest rate risk, foreign currency risk and credit risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for use as hedging instruments where appropriate and cost-efficient.

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

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

(a) ***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 financial assets and liabilities for its business. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. For the real estate business, the properties are pledged as security for loans and borrowings secured to finance property purchase or development. Repayment of the loans and borrowings is generally upon receipt of sales proceeds.

The Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and mitigate the effect of fluctuation in cash flows.

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

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

Analysis of financial instruments by remaining contractual maturities

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

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
31 December 2023				
Group				
Financial liabilities:				
Trade and other payables	140,228	656	–	140,884
Due to an associate (non-trade)	79	–	–	79
Derivative financial instruments	2,804	–	–	2,804
Interest-bearing loans and borrowings	519,952	151,693	95,840	767,485
Medium-term notes	22,341	107,520	–	129,861
Lease liabilities	25,397	59,278	15,347	100,022
Total undiscounted financial liabilities	710,801	319,147	111,187	1,141,135
31 December 2022				
Group				
Financial liabilities:				
Trade and other payables	97,056	4,912	–	101,968
Due to immediate holding company (non-trade)	1,650	–	–	1,650
Due to an associate (non-trade)	117	–	–	117
Derivative financial instruments	1,525	–	–	1,525
Interest-bearing loans and borrowings	560,333	110,608	90,544	761,485
Medium-term notes	15,731	263,753	–	279,484
Lease liabilities	24,275	58,942	13,537	96,754
Total undiscounted financial liabilities	700,687	438,215	104,081	1,242,983

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

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

Analysis of financial instruments by remaining contractual maturities (cont'd)

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
31 December 2023				
Company				
Financial liabilities:				
Trade and other payables	15,375	–	–	15,375
Due to subsidiaries (non-trade)	30,975	–	–	30,975
Medium-term notes	3,066	48,591	–	51,657
Total undiscounted financial liabilities	49,416	48,591	–	98,007
Financial guarantees*	130,724	74,217	11,369	216,310
31 December 2022				
Company				
Financial liabilities:				
Trade and other payables	20,468	–	–	20,468
Due to immediate holding company (non-trade)	1,650	–	–	1,650
Due to subsidiaries (non-trade)	35,495	–	–	35,495
Interest-bearing loans and borrowings	8,136	–	–	8,136
Medium-term notes	3,348	54,096	–	57,444
Total undiscounted financial liabilities	69,097	54,096	–	123,193
Financial guarantees*	99,658	29,185	4,436	133,279

* This shows the contractual expiry by maturity of the Company's contingent liabilities. The maximum amount of the financial guarantee contracts are allocated to the earliest period which the guarantee could be called.

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

(b) ***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. Other than the medium-term notes and certain bank borrowings which are at fixed rates, the Group's loans and borrowings are at floating rates which are contractually repriced at intervals of less than 6 months from the end of the reporting period.

The Group's policy is to manage interest cost by using a mix of fixed and floating rate debts. At the end of the reporting period, medium-term notes of $120,584,000 (2022: $253,468,000) and loans of $24,360,000 (2022: $29,529,000) are at fixed rates of interest.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 50 (2022: 50) basis points lower/higher with all other variables held constant, the Group's loss before tax (2022: loss before tax) would have been $3,395,000 (2022: $3,404,000) lower/higher (2022: lower/higher), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

(c) ***Foreign currency risk***

The jewellery business has transactional currency exposures arising from purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily SGD and EURO ("**EUR**"). The foreign currencies in which these transactions are denominated are mainly United States Dollars ("**USD**"), Hong Kong Dollars ("**HKD**"), Japanese Yen ("**JPY**") and EUR. Approximately 45% (2022: 50%) of the jewellery business purchases are denominated in foreign currencies. Trade payable balances at the end of the reporting period have similar exposures.

The real estate business has transactional currency exposures arising from loans extended by WCG, a subsidiary of the Group, to WCG's subsidiaries in Malaysia. These loans are denominated in MYR, whereas WCG's functional currency is SGD.

The Group has transactional currency exposures arising from investments that are denominated in a currency other than the respective functional currencies of the Group entities. The foreign currencies in which these transactions are denominated are mainly AUD, EUR and HKD.

The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia and Australia. As disclosed in Note 22, the Group entered into forward currency contracts during the financial year to mitigate its exposure to foreign currency risks on AUD. The Group's net investments in Malaysia are not hedged as currency positions in MYR are considered to be long-term in nature.

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

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

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in the USD, HKD, MYR and AUD exchange rates (against SGD), with all other variables held constant.

	Loss before tax 2023	**Loss before tax 2022**
	$'000 lower/(higher)	$'000 lower/(higher)
USD - strengthened 5% (2022: 5%)	(149)	(343)
- weakened 5% (2022: 5%)	149	343
HKD - strengthened 5% (2022: 5%)	10	(74)
- weakened 5% (2022: 5%)	(10)	74
MYR - strengthened 5% (2022: 5%)	5,066	5,577
- weakened 5% (2022: 5%)	(5,066)	(5,577)
AUD - strengthened 5% (2022: 5%)	(1,277)	(558)
- weakened 5% (2022: 5%)	1,277	558

(d) ***Credit risk***

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables and cash and bank balances. The Group minimises credit risk by requiring collateral and/or dealing with credit worthy counter-parties.

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

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- 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 borrower's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the borrower;
- Significant increases in credit risk on other financial instruments of the same borrower;
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrower in the group and changes in the operating results of the borrower.

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

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

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is past due in making contractual payment.

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

- There is significant difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; and
- There is a disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

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

(i) *Secured lending receivables*

Secured lending receivables are secured by way of collateralised real estate held by the investment trustee. Although the collateral does not influence whether the financial instrument has a low credit risk, the expected cash flows in the assessment of net lifetime expected credit losses will include cash flows from the sale of collateral held.

(ii) *Pawnshop loans*

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

(iii) *Expected credit losses of pawnshop loans and interest receivables on pawnshop loans*

The Group uses a provision matrix to estimate the allowance for ECLs on pawnshop loans and interest receivables on pawnshop loans. The key inputs of the Group's ECLs model are the probability of default and loss given default. The Group has estimated the probability of default being the forfeiture of the customers' pledges based on historical non-redemption data of its pawnshop outlets. The Group has estimated the loss exposure at default after considering the expected realisable value of the customers' pledges.

Significant judgement and estimation are involved in using the historical non-redemption data to derive the probability of default as well as considering any forward-looking economic information.

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

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

(iv) *Amounts due from subsidiaries*

The Company uses the general approach and estimates the 12-month expected credit losses when there is no indication of significant deterioration in credit risk based on the financial performance of its related entities. When a significant increase in credit risk has occurred, the Company estimates the lifetime ECLs for such financial assets.

The movement in the loss allowance provision is as follows:

	Group		Company
	Trade receivables at amortised cost	**Debt securities at FVOCI**	**Amounts due from subsidiaries at amortised cost**
	$'000	$'000	$'000
As at 1 January 2023	795	3,158	1,041
Loss allowance measured at:			
Lifetime ECLs			
- Credit risk has increased significantly since initial recognition	5,366	(72)	5,800
- Written-off	(5,366)	(2)	–
As at 31 December 2023	**795**	**3,084**	**6,841**

	Group		Company
	Trade receivables at amortised cost	**Debt securities at FVOCI**	**Amounts due from subsidiaries at amortised cost**
	$'000	$'000	$'000
As at 1 January 2022	778	3,178	1,041
Loss allowance measured at:			
Lifetime ECLs			
- Credit risk has increased significantly since initial recognition	4,050	(18)	–
- Written-off	(4,033)	(2)	–
As at 31 December 2022	**795**	**3,158**	**1,041**

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

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

Excessive risk concentration

Concentration arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentration of risk, the Group focuses on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. As at 31 December 2023 and 2022, there was no significant concentration of credit risk.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 20.

Financial assets that neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and bank balances that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 20.

37. Fair value of assets and liabilities

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

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

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

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

Level 3 – Unobservable inputs for the asset or liability.

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

37. Fair value of assets and liabilities (cont'd)

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

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

	Group 2023			
	Quoted prices in active markets for identical assets (Level 1)	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	$'000	$'000	$'000	$'000
Assets measured at fair value				
Financial assets				
At FVOCI				
Debt securities (quoted) (Note 17)	555	–	–	555
Equity securities (quoted) (Note 17)	545	–	–	545
Equity securities (unquoted) (Note 17)	–	–	3,791	3,791
At FVPL				
Equity securities (quoted) (Note 17)	92	–	–	92
Equity securities (unquoted) (Note 17)	–	–	39	39
Derivatives (Note 22)	–	1,518	–	1,518
	1,192	1,518	3,830	6,540
Financial liabilities				
At FVPL				
Derivatives (Note 22)	–	(2,804)	–	(2,804)
Non-financial assets				
Investment properties				
Singapore (Note 11)	–	–	56,610	56,610
Malaysia (Note 11)	–	–	14,447	14,447
Australia (Note 11)	–	–	36,781	36,781
	–	–	107,838	107,838

37. Fair value of assets and liabilities (cont'd)

(b) ***Assets measured at fair value (cont'd)***

	Group 2022			
	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	$'000	$'000	$'000	$'000
Assets measured at fair value				
Financial assets				
At FVOCI				
Debt securities (quoted) (Note 17)	573	–	–	573
Equity securities (quoted) (Note 17)	1,302	–	–	1,302
Equity securities (unquoted) (Note 17)	–	–	5,805	5,805
At FVPL				
Equity securities (quoted) (Note 17)	92	–	–	92
Equity securities (unquoted) (Note 17)	–	–	31	31
Derivatives (Note 22)	–	754	–	754
	1,967	754	5,836	8,557
Financial liabilities				
At FVPL				
Derivatives (Note 22)	–	(1,525)	–	(1,525)
Non-financial assets				
Investment properties				
Singapore (Note 11)	–	–	63,310	63,310
Malaysia (Note 11)	–	–	15,456	15,456
Australia (Note 11)	–	–	63,696	63,696
	–	–	142,462	142,462

(c) ***Level 2 fair value measurements***

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Derivatives

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing, using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, and forward rate curves.

37. Fair value of assets and liabilities (cont'd)

(d) ***Level 3 fair value measurements***

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements*

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3).

Description	Fair value at 31 December 2023	Valuation techniques	Unobservable inputs	Range of unobservable inputs
	$'000			$
Recurring fair value measurements				
Investment securities:				
Equity securities (unquoted) at FVPL (Note 17)	39	Net asset value	Note 1	Not applicable
Equity securities (unquoted) at FVOCI (Note 17)	3,791	Recent transaction price, Net asset value	Note 2	Not applicable
Investment properties:				
Singapore	56,610	Market comparison approach	Price per square feet	1,145 – 9,290
Malaysia	14,447	Market comparison approach	Price per square feet	254 – 353
Australia	36,781	Market comparison approach	Price per square metre	7,458 – 15,249

37. Fair value of assets and liabilities (cont'd)

(d) ***Level 3 fair value measurements (cont'd)***

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)*

Description	Fair value at 31 December 2022	Valuation techniques	Unobservable inputs	Range of unobservable inputs
	$'000			$
Recurring fair value measurements				
Investment securities:				
Equity securities (unquoted) at FVPL (Note 17)	31	Net asset value	Note 1	Not applicable
Equity securities (unquoted) at FVOCI (Note 17)	5,805	Recent transaction price, Net asset value	Note 2	Not applicable
Investment properties:				
Singapore	63,310	Market comparison approach	Price per square feet	1,781 – 4,696
Malaysia	15,456	Market comparison approach	Price per square feet	269 – 395
Australia	63,696	Market comparison approach	Price per square metre	7,338 – 16,252

Investment properties

In determining fair values, valuation techniques used by external appraisers involved certain estimates and assumptions. For certain valuation reports, the external appraisers have continued to highlight current conditions of rapid changes in market and economic condition which have resulted in higher degree of uncertainty. For investment properties, a significant increase/(decrease) in price per square feet based on management's assumptions would result in a significantly higher/(lower) fair value measurement.

Note 1 – Unquoted equity securities at FVPL

Unquoted equity securities at FVPL relates to investment in a company which has been loss making and management has used net asset value as proxy for fair value as net asset of the investee mainly related to cash.

Note 2 – Unquoted equity securities at FVOCI

Included in unquoted equity securities at FVOCI as at 31 December 2023 is an amount of $1,010,000 (2022: $2,277,000) determined based on the latest round of funding exercise by the investee.

$2,729,000 (2022: $3,528,000) of unquoted equity securities at FVOCI as at 31 December 2023 is determined based on net asset value disclosed in the financial statements of the investee. This relates to a fund with investments in real estates stated at fair values. The Group has determined that the net asset value of the investment approximate its fair value.

37. Fair value of assets and liabilities (cont'd)

(d) ***Level 3 fair value measurements (cont'd)***

(ii) *Movements in Level 3 assets measured at fair value*

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)					
	Unquoted equity securities at FVOCI	Unquoted equity securities at FVPL	Investment properties			Total
			Singapore	Malaysia	Australia	
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
2023						
Opening balance	5,805	31	63,310	15,456	63,696	148,298
Additions	285	–	–	–	–	285
Net (loss)/gain on fair value adjustments of investment properties, representing total gains or losses for the year included in profit or loss	–	–	–	(168)	450	282
Net loss on fair value adjustments on unquoted equity at FVOCI	(2,299)	–	–	–	–	(2,299)
Reversal of impairment on unquoted equity securities at FVPL, representing total gains or losses for the year included in profit or loss	–	8	–	–	–	8
Settlements	–	–	(6,700)	–	(26,266)	(32,966)
Exchange differences	–	–	–	(841)	(1,099)	(1,940)
Closing balance	3,791	39	56,610	14,447	36,781	111,668

37. Fair value of assets and liabilities (cont'd)

(d) ***Level 3 fair value measurements (cont'd)***

(ii) *Movements in Level 3 assets measured at fair value (cont'd)*

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)					
	Unquoted equity securities at FVOCI	Unquoted equity securities at FVPL	Investment properties			Total
			Singapore	Malaysia	Australia	
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
2022						
Opening balance	4,101	26	66,770	16,466	76,865	164,228
Additions	225	–	–	–	–	225
Net gain/(loss) on fair value adjustments of investment properties, representing total gains or losses for the year included in profit or loss	–	–	2,540	–	(970)	1,570
Net gain on fair value adjustments on unquoted equity at FVOCI	1,479	–	–	–	–	1,479
Reversal of impairment on unquoted equity securities at FVPL, representing total gains or losses for the year included in profit or loss	–	5	–	–	–	5
Settlements	–	–	(6,000)	–	(7,042)	(13,042)
Exchange differences	–	–	–	(1,010)	(5,157)	(6,167)
Closing balance	5,805	31	63,310	15,456	63,696	148,298

(iii) *Valuation policies and procedures*

The Group's Chief Financial Officer oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 *Fair Value Measurement* guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

37. Fair value of assets and liabilities (cont'd)

(d) ***Level 3 fair value measurements (cont'd)***

(iii) *Valuation policies and procedures (cont'd)*

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information is reasonably available. Management has also considered the reports and representations provided by the investment manager.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

(e) ***Assets and liabilities not carried at fair value but for which fair value is disclosed***

The following table shows an analysis of the Group's assets and liabilities not measured at fair value but for which fair value is disclosed:

	Quoted prices in active markets for identical assets (Level 1)	Significant unobservable inputs (Level 3)	Fair value Total	Carrying amount
	$'000	$'000	$'000	$'000
Group				
2023				
Assets:				
Non-current:				
Other receivables	–	3,818	3,818	4,268
Liabilities:				
Current:				
Medium-term notes	15,437	–	15,437	15,480
Non-current:				
Medium-term notes	106,907	–	106,907	105,104
Other payables	–	656	656	656
2022				
Assets:				
Non-current:				
Other receivables	–	4,340	4,340	4,340
Liabilities:				
Non-current:				
Medium-term notes	247,194	–	247,194	253,468
Other payables	–	4,912	4,912	4,912

37. Fair value of assets and liabilities (cont'd)

(e) ***Assets and liabilities not carried at fair value but for which fair value is disclosed* (cont'd)**

	Quoted prices in active markets for identical assets (Level 1)	Significant unobservable inputs (Level 3)	Fair value Total	Carrying amount
	$'000	$'000	$'000	$'000
Company				
2023				
Assets:				
Non-current:				
Investment in a quoted subsidiary	125,503	–	125,503	139,411
Investment in a quoted associate	34,815	–	34,815	76,529
Liabilities:				
Non-current:				
Medium-term notes	47,990	–	47,990	46,340
2022				
Assets:				
Non-current:				
Investment in a quoted subsidiary	151,173	–	151,173	139,411
Investment in a quoted associate	38,781	–	38,781	76,529
Liabilities:				
Non-current:				
Medium-term notes	50,243	–	50,243	50,000

Determination of fair value

Other receivables/Other payables

The fair values as disclosed in the table above are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending, borrowing or leasing arrangements at the end of the reporting period.

Medium-term notes

The fair values as disclosed in the table above are determined directly by reference to the bid price quotation of the medium-term notes at the end of the reporting period.

Investment in quoted subsidiary and quoted associate

The fair values as disclosed in the table above are determined directly by reference to the share price of the subsidiary and associate at the end of the reporting period.

38. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or procedures during the years ended 31 December 2023 and 31 December 2022.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest-bearing loans and borrowings, medium-term notes, trade and other payables, lease liabilities, less cash and bank balances. The table below shows the capital and net debt for the Group.

	Note	2023	2022
		$'000	$'000
Interest-bearing loans and borrowings	25	703,379	717,587
Medium-term notes	26	120,584	253,468
Trade and other payables	24	145,641	106,651
Lease liabilities	27(b)	88,445	87,110
Less: Cash and bank balances	23	(53,843)	(53,521)
Net debt		1,004,206	1,111,295
Equity attributable to owners of the Company		284,985	312,277
Perpetual Securities		132,750	–
Net Capital		417,735	312,277
Capital and net debt		1,421,941	1,423,572
Gearing ratio		71%	78%

39. Subsequent event

Acquisition BigFundr Private Limited

On 22 February 2024, Maxi-Cash Capital Management Pte. Ltd. ("**MCCM**"), a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement (the "**SPA**") with Trinity House Capital Private Limited ("**THC**") to acquire 2,695,000 ordinary shares, representing 55% equity interest in the share capital of BigFundr Private Limited ("**BigFundr**") for an aggregate consideration of $2,720,000.

BigFundr is a company incorporated in Singapore and holds a Capital Markets Services licence issued by the Monetary Authority of Singapore ("**MAS**"). Prior to the acquisition, MCCM owned 735,000 ordinary shares, representing 15% of the issued and paid-up capital of BigFundr. Following the completion of the acquisition, BigFundr became a subsidiary of MCCM.

The fair values of the identifiable assets and liabilities at acquisition date are not disclosed because management is in the midst of performing a Purchase Price Allocation ("**PPA**") exercise and has up to 12 months from the date of acquisition to complete and finalise the PPA.

40. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 1 April 2024.

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR
RE-ELECTION – APPENDIX 7.4.1

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities trading Limited, the information as set out Appendix 7.4.1 relating to Mr Koh Wee Seng, Mr Koh Lee Hwee, Mr Ong Tuen Suan and Ms Goh Bee Leong, being a Director who is retiring in accordance with the Company's Constitution and/or Rule 720(5) of the Listing Manual of the SGX-ST at the forthcoming AGM, is set out below:

Name of Directors	**Koh Wee Seng**	**Koh Lee Hwee**	**Ong Tuen Suan**	**Goh Bee Leong**
Date of first appointment as a Director	9 October 1989	15 August 1988	29 April 2023	31 October 2023
Date of last re-appointment/ re-election as a Director (if applicable)	30 April 2021	30 April 2021	N.A.	N.A.
Age	55	57	58	69
Country of principal residence	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Koh Wee Seng as the Executive Director and Chief Executive Officer of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, skills, expertise, past experiences and overall contribution in fulfilling his responsibilities.	The re-election of Ms Koh Lee Hwee as the Executive Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration her qualifications, skills, expertise, past experiences and overall contribution in fulfilling her responsibilities.	The re-election of Mr Ong Tuen Suan as the Non-Executive and Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, skills, expertise, past experiences and overall contribution in fulfilling his responsibilities.	The re-election of Ms Goh Bee Leong as the Non-Executive and Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration her qualifications, skills, expertise, past experiences and overall contribution in fulfilling her responsibilities.
Whether appointment is executive, and if so, the area of responsibility	Yes	Yes	No	No
Job Title	Executive Director, Chief Executive Officer and a member of Nominating Committee	Executive Director	Non-Executive and Independent Director, Chairman of Nominating Committee and a member of Audit and Remuneration Committees	Non-Executive and Independent Director, Chairman of Remuneration Committee and a member of Audit and Nominating Committees
Professional qualifications	Bachelor of Business Administration, National University of Singapore	Bachelor of Arts, National University of Singapore	Bachelor of Economics, Monash University Fellow of CPA Australia	Bachelor of Science (Pharmacy), University of Singapore
Working experience and occupation(s) during the past 10 year	1989 to present: Executive Director and Chief Execuitve Officer Aspial Corporation Limited 2008 to present: Non-Independent Non-Executive Chairman Aspial Lifestyle Limited 2015 to present: Non-Independent Non-Executive Chairman AF Global Limited	1998 to present: Executive Director Aspial Corporation Limited 2008 to 2023: Non-Executive Non-Independent Director Aspial Lifestyle Limited	2013 – 2015: Regional Finance Officer Americas NOL/APL, Scottsdale, Arizona 2015 – 2023: Managing Director G3 Progress Pte Ltd, Singapore	April 2003 to February 2024: General Manager (Manufacturing) Haw Par Healthcare Limited

RE-ELECTION – APPENDIX 7.4.1 (CONTINUTED)

Name of Directors	Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
Shareholding interest in the listed issuer and its subsidiaries	The Company - Direct Interest - 418,655,472 - Indirect interest - 1,209,594,537 Subsidiaries of the Group Aspial Lifestyle Limited - Direct interest - 109,156,853 - Indirect interest - 1,012,396,513 WCL (QLD) Margaret St Pty. Ltd. - Direct interest- 2,740,000 - Indirect interest - 8,905,000 World Class Land Pte. Ltd. - Direct interest - 250,000 - Indirect interest - 4,500,000	The Company - Direct interest - 30,890,888 - Indirect interest -1,247,707,314 Subsidiaries of the Group Aspial Lifestyle Limited - Direct interest- 28,196,664 - Indirect interest -1,019,500,007	Nil	The Company - Direct interest - 58,575
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee are siblings.	Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee are siblings.	N.A.	N.A.
Conflict of interest (including any competing business)	No	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes
Other principal commitments (including directorships) – Past, for the last 5 years	Pit-Stop Credit (SG) Pte Ltd ACL International Services Sdn Bhd	Aspial Lifestyle Limited ACL International Services Sdn Bhd	AF Global Limited	Aspial Lifestyle Limited Haw Par Healthcare Limited Haw Par (India) Private Limited Xiamen Tiger Medicals Co Ltd Tiger Balm (Malaysia) Sdn Bhd Haw Par Tiger Balm (Thailand) Limited Tiger Medicals (Taiwan) Limited PT. Haw par Healthcare
Other principal commitments (including directorships) – Present	AF Global (Phuket) Limited AF Global (Thailand) Limited AF Global Investment Holding Pte Ltd AF Global Limited AF Phuket Hotels Pte Ltd AF Rawai Hotels Pte Ltd AL Capital (Ubi) Pte Ltd AL Treasury Pte Ltd Aspial Capital Investment Pte Ltd	AL Capital (Ubi) Pte Ltd AL Treasury Pte Ltd Aspial Capital Investment Pte Ltd Aspial Corporate Services Pte Ltd Aspial Corporation Limited Aspial International Pte Ltd Aspial Investment Holding Pte Ltd Aspial Lifestyle Jewellery Group Pte Ltd	G3 Progress Pte Ltd Ong Han Tam Holdings Sdn Bhd Nanyang Progress Sdn Bhd	Nil

Name of Directors	Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
	Aspial Corporate Services Pte Ltd Aspial Corporation Limited Aspial International Pte Ltd Aspial Investment Holding Pte Ltd Aspial Lifestyle Jewellery Group Pte Ltd Aspial Lifestyle Limited Aspial Treasury Pte Ltd Band of Brothers Pte Ltd Bayfront Realty Pte Ltd Bayfront Ventures Pte Ltd BON (38) Investment Pte Ltd BON 88 Investment Pte Ltd BU2 Services Pte Ltd Cheong Hock Chye & Co (Pte) Ltd City Gate Shopping Mall Management Pte Ltd Cityview Property Investment & Trading Limited Draycott Garden Pte Ltd Dynamic Ideas Pty Ltd Dynamic Project Management Services Pte Ltd Gateway Enterprise Company Limited Gold Purple Pte Ltd Goldheart Jewelry Pte Ltd Hillgate Investment Pte Ltd HIRP (Thailand) Limited Kensington Land Pte Ltd Kensington Village Pte Ltd Knight Frank Asia Pacific Pte Ltd Knight Frank Pte Ltd L.C. Hotels Pte Ltd L.C. Logistics Pte Ltd LCD (Indochina) Pte Ltd LCD (Vietnam) Pte Ltd LCD Property Management Pte Ltd LCD Property Pte Ltd Lee Hwa Jewellery Pte Ltd LuxeSTYLE (Australia) Pty Ltd	Aspial Treasury Pte Ltd Band of Brothers Pte Ltd Bayfront Realty Pte Ltd Bayfront Ventures Pte Ltd BU2 Services Pte Ltd City Gate Shopping Mall Management Pte Ltd Dynamic Ideas Pty Ltd Dynamic Project Management Services Pte Ltd Gold Purple Pte Ltd LuxeSTYLE (Australia) Pty Ltd LuxeSTYLE (Malaysia) Sdn Bhd Maxi Cash (George Town) Sdn Bhd Maxi Cash (KL1) Sdn Bhd Maxi Cash (KL2) Sdn Bhd Maxi Cash (Malaysia) Sdn Bhd Maxi Cash (Penang) Sdn Bhd Maxi Cash (S1) Sdn Bhd Maxi Cash (S2) Sdn Bhd Maxi Cash (S3) Sdn Bhd Maxi Cash (Southern) Sdn Bhd Maxi-Cash (Australia) Pty Ltd Maxi-Cash (Central 2) Pte Ltd Maxi-Cash (Central) Pte Ltd Maxi-Cash (Clementi) Pte Ltd Maxi-Cash (East 2) Pte Ltd Maxi-Cash (East) Pte Ltd Maxi-Cash (HKI) Co Ltd Maxi-Cash (Hong Kong) Co Ltd Maxi-Cash (North East) Pte Ltd Maxi-Cash (North) Pte Ltd Maxi-Cash (West) Pte Ltd Maxi-Cash Assets Pte Ltd Maxi-Cash Capital Management Pte Ltd Maxi-Cash Capital Pte Ltd Maxi-Cash Financial Pte Ltd Maxi-Cash Group Pte Ltd Maxi-Cash International Pte Ltd Maxi-Cash Investment Holding Pte Ltd		

Name of Directors	Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
	LuxeSTYLE (Malaysia) Sdn Bhd Maxi Cash (George Town) Sdn Bhd Maxi Cash (KL1) Sdn Bhd Maxi Cash (KL2) Sdn Bhd Maxi Cash (Malaysia) Sdn Bhd Maxi Cash (Penang) Sdn Bhd Maxi Cash (S1) Sdn Bhd Maxi Cash (S2) Sdn Bhd Maxi Cash (S3) Sdn Bhd Maxi Cash (Southern) Sdn Bhd Maxi-Cash (Australia) Pty Ltd Maxi-Cash (Central 2) Pte Ltd Maxi-Cash (Central) Pte Ltd Maxi-Cash (Clementi) Pte Ltd Maxi-Cash (East 2) Pte Ltd Maxi-Cash (East) Pte Ltd Maxi-Cash (HKI) Co Ltd Maxi-Cash (Hong Kong) Co Ltd Maxi-Cash (North East) Pte Ltd Maxi-Cash (North) Pte Ltd Maxi-Cash (West) Pte Ltd Maxi-Cash Assets Pte Ltd Maxi-Cash Capital Management Pte Ltd Maxi-Cash Capital Pte Ltd Maxi-Cash Financial Pte Ltd Maxi-Cash Group Pte Ltd Maxi-Cash International Pte Ltd Maxi-Cash Investment Holding Pte Ltd Maxi-Cash Jewellery Group Pte Ltd Maxi-Cash Leasing Pte Ltd Maxi-Cash Melbourne (VIC) Pty Ltd Maxi-Cash Property Pte Ltd Maxi-Cash Retail (HKI) Co Ltd Maxi-Cash Retail Pte Ltd Maxi-Cash Ventures Pte Ltd Maxion Holdings Sdn Bhd MC Client Service Pte Ltd MLHS Holdings Pte Ltd Niessing (Australia) Pty Ltd	Maxi-Cash Jewellery Group Pte Ltd Maxi-Cash Leasing Pte Ltd Maxi-Cash Melbourne (VIC) Pty Ltd Maxi-Cash Property Pte Ltd Goldheart Jewelry Pte Ltd Kensington Land Pte Ltd Kensington Village Pte Ltd Lee Hwa Jewellery Pte Ltd Maxi-Cash Retail (HKI) Co Ltd Maxi-Cash Retail Pte Ltd Maxi-Cash Ventures Pte Ltd Maxion Holdings Sdn Bhd MC Client Service Pte Ltd MLHS Holdings Pte Ltd Niessing (Australia) Pty Ltd Niessing (Hong Kong) Limited Niessing Asia Pacific Pte Ltd Niessing Group Pte Ltd Penang Parade Hotels Sdn Bhd PHC Hotels Sdn Bhd Pit-Stop Credit (SG) Pte Ltd SBD 102 Pty Ltd WCL (Bertam L) Sdn Bhd WCL (Bertam R) Sdn Bhd WCL (CNS) CBD Pty Ltd WCL (Macallum) Sdn Bhd WCL (Magazine) Sdn Bhd WCL (Noordin St) Sdn Bhd WCL (QLD) Albert St Pty Ltd WCL (QLD) Holdings Pty Ltd WCL (QLD) Margaret Pty Ltd WCL-A Beckett (VIC) Pty Ltd WCL-Cairns (QLD) Pty Ltd WCL-Central Park (QLD) Pty Ltd WCL-Southbank (VIC) Pty Ltd World Class Developments (Bedok) Pte Ltd World Class Developments (City Central) Pte Ltd World Class Developments (North) Pte Ltd World Class Developments Pte Ltd		

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7.4.1 (CONTINUTED)

Name of Directors	Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
	Niessing (Hong Kong) Limited Niessing Asia Pacific Pte Ltd Niessing Group Pte Ltd Penang Parade Hotels Sdn Bhd PHC Hotels Sdn Bhd Rawai (38) Investment Pte Ltd Rawai 88 Investment Pte Ltd RP (Thailand) Limited RP Hotels (Thailand) Limited SBD 102 Pty Ltd WCL (Bertam L) Sdn Bhd WCL (Bertam R) Sdn Bhd WCL (CNS) CBD Pty Ltd WCL (Macallum) Sdn Bhd WCL (Magazine) Sdn Bhd WCL (Noordin St) Sdn Bhd WCL (QLD) Albert St Pty Ltd WCL (QLD) Holdings Pty Ltd WCL (QLD) Margaret Pty Ltd WCL-A Beckett (VIC) Pty Ltd WCL-Cairns (QLD) Pty Ltd WCL-Central Park (QLD) Pty Ltd WCL-Southbank (VIC) Pty Ltd World Class Developments (Bedok) Pte Ltd World Class Developments (City Central) Pte Ltd World Class Developments (North) Pte Ltd World Class Developments Pte Ltd World Class Global Pte Ltd World Class Land (Australia) Pty Ltd World Class Land (Georgetown) Holdings Sdn Bhd World Class Land (Georgetown) Sdn Bhd World Class Land (Malaysia) Sdn Bhd World Class Land (Penang) Sdn Bhd World Class Land Pte Ltd Xuzhou RE Sales Co., Ltd Xuzhou YinJian LumChang Real Estate Development Co., Ltd (compulsory liquidation)	World Class Global Pte Ltd World Class Land (Australia) Pty Ltd World Class Land (Georgetown) Holdings Sdn Bhd World Class Land (Georgetown) Sdn Bhd World Class Land (Malaysia) Sdn Bhd World Class Land (Penang) Sdn Bhd World Class Land Pte Ltd		

RE-ELECTION – APPENDIX 7.4.1 (CONTINUTED)

Name of Directors		Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.					
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was fi led against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was fi led against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No
(c)	Whether there is any unsatisfied judgement against him?	No	No	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No

Name of Directors	Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No
(f) Whether at any time during the last 10 years, judgement 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 fi nding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No

Name of Directors	Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
(I) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :				
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No

Name of Directors	Koh Wee Seng	Koh Lee Hwee	Ong Tuen Suan	Goh Bee Leong
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No
Disclosure applicable to the appointment of Director only.				
Any prior experience as a director of an issuer listed on the Exchange?	This relates to reappointment of Director.	This relates to reappointment of Director.	This relates to reappointment of Director.	This relates to reappointment of Director.
If yes, please provide details of prior experience.	N.A.	N.A.	N.A.	N.A.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	N.A.	N.A.	N.A.	N.A.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.	N.A.	N.A.

STATISTICS OF SHAREHOLDINGS

As at 1 April 2024

NO. OF ISSUE SHARES (EXCLUDING TREASURY SHARES AND SUBSIDIARY HOLDINGS)	:	2,219,966,758
NUMBER/PERCENTAGE OF TREASURY SHARES	:	18,667,615 (0.81%)
NUMBER OF SUBSIDIARY HOLDINGS HELD	:	NIL
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS (EXCLUDING TREASURY SHARES AND SUBSIDIARY HOLDINGS)	:	ONE VOTE PER SHARE

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	164	5.50	6,538	0.00
100 - 1,000	119	3.99	63,194	0.00
1,001 - 10,000	1,353	45.39	4,263,323	0.19
10,001 - 1,000,000	1,300	43.61	93,034,904	4.20
1,000,001 & ABOVE	45	1.51	2,122,598,799	95.61
TOTAL	**2,981**	**100.00**	**2,219,966,758**	**100.00**

	Top Twenty Shareholders as at 1 April 2024	NO. OF SHARES	%
1	MLHS HOLDINGS PTE LTD	1,106,545,378	49.85
2	KOH WEE SENG	213,367,283	9.61
3	HONG LEONG FINANCE NOMINEES PTE LTD	130,607,211	5.88
4	TAN SU LAN @ TAN SOO LUNG	106,645,418	4.80
5	UNITED OVERSEAS BANK NOMINEES PTE LTD	84,219,193	3.79
6	PHILLIP SECURITIES PTE LTD	73,409,809	3.31
7	CITIBANK NOMINEES SINGAPORE PTE LTD	60,158,635	2.71
8	DBS NOMINEES PTE LTD	52,592,636	2.37
9	NG SHENG TIONG	46,306,176	2.09
10	HSBC (SINGAPORE) NOMINEES PTE LTD	41,875,909	1.89
11	SING INVESTMENTS & FINANCE NOMINEES (PTE) LTD	39,999,920	1.80
12	TAN SU KIOK	35,104,000	1.58
13	OCBC SECURITIES PRIVATE LTD	17,679,476	0.80
14	TAN BOY TEE	11,845,526	0.53
15	LIM SENG KUAN	9,511,299	0.43
16	UOB KAY HIAN PTE LTD	8,833,506	0.40
17	CGS INTERNATIONAL SECURITIES SINGAPORE PTE LTD	7,756,208	0.35
18	RAFFLES NOMINEES (PTE) LIMITED	7,753,006	0.35
19	DBS VICKERS SECURITIES (S) PTE LTD	6,671,649	0.30
20	TAN SU KIOK OR SIA LI WEI JOLIE (SHE LIWEI JOLIE)	5,631,533	0.25
		2,066,513,771	**93.09**

PERCENTAGE OF SHAREHOLDING IN PUBIC’S HANDS

14.22% of the Company’s shares are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual SGX-ST.

STATISTICS OF SHAREHOLDINGS

As at 1 April 2024

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

		Direct	Deemed
1	MLHS Holdings Pte. Ltd.	1,203,886,870	–
2	Koh Wee Seng(1)	418,655,472	1,209,594,537
3	Koh Lee Hwee(2)	30,890,888	1,247,707,314
4	Ko Lee Meng(3)	33,639,865	1,205,041,757

Notes:

1. Mr Koh Wee Seng's direct interest derived from 213,367,283 held in his own name and 205,288,189 shares held in the name of nominee accounts. The deemed interest derived from 1,203,886,870 shares held by MLHS Holdings Pte. Ltd. and 5,707,667 shares held by his spouse.

2. Ms Koh Lee Hwee's direct interest derived from 30,890,888 shares held in the name of nominee accounts. The deemed interest derived from 1,203,886,870 shares held by MLHS Holdings Pte. Ltd. and 43,820,444 shares held by her spouse.

3. Ms Ko Lee Meng's direct interest derived from 33,639,865 shares held in the name of nominee accounts. The deemed interest derived from 1,203,886,870 shares held by MLHS Holdings Pte. Ltd. and 1,154,887 shares held by her spouse.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**" or the "**Meeting**") of Aspial Corporation Limited (the "**Company**") will be held at Aspial One, 55 Ubi Avenue 3, Level 1, Singapore 408864 on Monday, 29 April 2024 at 3.30 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2023 together with the Independent Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Koh Wee Seng who is retiring pursuant to Regulation 104 of the Company's Constitution.
[See Explanatory Note (i)] **(Resolution 2)**

3. To re-elect Ms Koh Lee Hwee who is retiring pursuant to Regulation 105 of the Company's Constitution.
[See Explanatory Note (ii)] **(Resolution 3)**

4. To re-elect the following Directors of the Company, retiring pursuant to Regulation 108 of the Company's Constitution:

   (i) Mr Ong Tuen Suan; and
   [See Explanatory Note (iii)] **(Resolution 4)**

   (ii) Ms Goh Bee Leong.
   [See Explanatory Note (iv)] **(Resolution 5)**

5. To approve the payment of Directors' fees of S$266,413 for the financial year ended 31 December 2023 (2022: S$266,000). **(Resolution 6)**

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

7. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

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

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

   That pursuant to Section 161 of the Singapore Companies Act 1967 (the "**Companies Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

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

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

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

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

(1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution) to be issued other than on a *pro-rata* basis to existing members of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

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

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

(b) new Shares arising from exercising share options or vesting of share awards; and

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

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and otherwise the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (v)] **(Resolution 8)**

9. **Renewal of Share Purchase Mandate**

That for the purposes of Sections 76C and 76E of the Singapore Companies Act 1967, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Price as defined in Appendix I to the Annual Report 2023 to members ("**Appendix I**"), in accordance with the "**Guidelines on Share Purchases**" set out in the Appendix I and this mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
(See Explanatory Note (vi)] **(Resolution 9)**

10. **Authority to issue shares under the Aspial Performance Share Plan**

That pursuant to Section 161 of the Singapore Companies Act 1967, the Directors of the Company be and are authorised to grant awards in accordance with the provisions of the Aspial Performance Share Plan (the "**Plan**") and to allot and issue from time to time such number of fully-paid up shares as may be required to be allotted and issued pursuant to the vesting of the awards under the Plan, provided that the aggregate number of shares to be allotted and issued pursuant to the Plan on any date, when added to the number of new shares issued and issuable in respect of (a) all awards granted thereunder; and (b) all options or awards granted under any other share schemes of the Company then in force, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (vii)] **(Resolution 10)**

11. **Authority to offer and grant awards under the Aspial Subsidiary Performance Share Plan 2022**

That pursuant to Section 161 of the Singapore Companies Act 1967, the Directors of the Company be and are authorised to offer and grant awards in accordance with the provisions of the Aspial Subsidiary Performance Share Plan 2022 (the "**Subsidiary Plan**") provided always that the aggregate number of Subsidiary Plan shares to be transferred pursuant to the Subsidiary Plan and any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed fifteen per centum (15%) of the total Subsidiary Plan shares held by the Company (or its subsidiaries) in that subsidiary or associated company as at the time of the award, provided always that no award may be made if the transfer of such Subsidiary Plan shares would result in that subsidiary or associated company ceasing to be a subsidiary or associated company, as the case may be, and provided also that subject to such adjustments as may be made to the Subsidiary Plan as a result of any variation in the capital structure of the relevant subsidiary or associated company, and this mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date of which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (viii)] **(Resolution 11)**

12. **Authority to issue shares under the Aspial Corporation Limited Scrip Dividend Scheme**

That pursuant to Section 161 of the Singapore Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to issue such number of shares in the Company as may be required to be issued pursuant to the Aspial Corporation Limited Scrip Dividend Scheme from time to time in accordance with the "Terms and Conditions of the Scrip Dividend Scheme" set out in pages 17 to 22 of the Circular to members dated 21 December 2011 and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (ix)] **(Resolution 12)**

By Order of the Board

Lim Swee Ann
Company Secretary
Singapore
12 April 2024

Explanatory Notes:

(i) Ordinary Resolution 2 – Mr Koh Wee Seng will, upon re-election as a Director of the Company, remain as a Executive Director and a member of the Nominating Committee. He will not be considered independent pursuant to Rule 704(8) of the Listing Manual SGX-ST. Detailed information on Mr Koh can be found in the Annual Report 2023.

(ii) Ordinary Resolution 3 – Ms Koh Lee Hwee will, upon re-election as a Director of the Company, remain as a Executive Director. She will not be considered independent pursuant to Rule 704(8) of the Listing Manual SGX-ST. Detailed information on Ms Koh can be found in the Annual Report 2023.

(iii) Ordinary Resolution 4 – Mr Ong Tuen Suan will, upon re-election as a Director of the Company, remain as an Independent Director, Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee. He is considered independent pursuant to Rule 704(8) of the Listing Manual SGX-ST. Detailed information on Mr Ong can be found in the Annual Report 2023.

(iv) Ordinary Resolution 5 – Ms Goh Bee Leong will, upon re-election as a Director of the Company, remain as an Independent Director, Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee. She is considered independent pursuant to Rule 704(8) of the Listing Manual SGX-ST. Detailed information on Ms Goh can be found in the Annual Report 2023.

(v) Ordinary Resolution 8 in item 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law or the SGX-ST Mainboard Listing Manual to be held, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro-rata basis to existing members of the Company.

For determining the aggregate number of Shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution 8 is passed after adjusting for (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution 8 is passed; and (ii) any subsequent bonus issue, consolidation or subdivision of Shares.

(vi) Ordinary Resolution 9 in item 9 above, if passed, will empower the Directors of the Company effective until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in Appendix I. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial statements of the Company and its Subsidiaries for the financial year ended 31 December 2023 are set out in greater detail in Appendix I.

(vii) Ordinary Resolution 10 in item 10 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant awards under the Plan in accordance with the provisions of the Plan and to issue from time to time such number of fully-paid up shares as may be required to be allotted and issued pursuant to the vesting of the awards under the Plan subject to the maximum number of shares prescribed under the terms and conditions of the Plan. The aggregate number of shares which may be issued pursuant to the Plan is limited to fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

(viii) Ordinary Resolution 11 in item 11 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant awards in accordance with the provisions of the Subsidiary Plan.

(ix) Ordinary Resolution 12 in item 12 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or when such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company from time to time pursuant to the Aspial Corporation Limited Scrip Dividend Scheme.

Notes:

1. The members of the Company are invited to attend physically at the AGM. There will be no option for members to participate virtually. This notice of AGM ("**Notice**") and the Company's Annual Report 2023 ("**AR**") will not be sent to members. Instead, this Notice and AR will be sent to members by electronic means via publication on the Company's website at the URL https://www.aspial.com/investor-relations and made available on the SGXNet at the URL https://www.sgx.com/securities/company-announcements.

2. Members (including Central Provident Fund Investment Scheme investors ("**CPFIS Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) voting at the AGM

      (i) themselves personally; or

      (ii) through their duly appointed proxy(ies).

   CPFIS Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 18 April 2024, being seven (7) working days prior to the date of the AGM.

   Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home and consider appoint a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

   Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

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

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

5. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

   If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. In the absence of specific directions, the Chairman of the Meeting will vote or abstain as he/she may think fit, as he/she will on any other matter arising at the AGM.

6. The Chairman of the AGM, as proxy, need not be a member of the Company.

7. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited with the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

   (b) if submitted electronically, be submitted via email to the Company at the email: AspialAGM@aspial.com,

   in either case, by **3.30 p.m.** on **26 April 2024** (being not less than seventy-two (72) hours before the time for holding the AGM).

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

8. The AR and the Appendix I to the Notice of AGM dated 12 April 2024 in relation to the Proposed Renewal of the Shares Purchase Mandate ("**Share Purchase Mandate**") may be accessed at the Company's website as follows:

   (a) the AR may be accessed at the URL https://www.aspial.com/investor-relations by clicking on the hyperlinks "**Annual Report 2023**"; and

   (b) the Share Purchase Mandate may be accessed at the URL https://www.aspial.com/investor-relations by clicking on the hyperlink "**Share Purchase Mandate**".

9. Submission of Questions in Advance

   Members may submit their questions in relation to the resolutions of the AGM in advance by:

   (a) email to: AspialAGM@aspial.com; or

   (b) post to the address at registered office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896

   All questions must be submitted within 7 calendar days from the date of this Notice of AGM, i.e. by **6.00 p.m.** on **19 April 2024**.

   The Company will endeavor to address questions which are substantial and relevant and received from members who are verifiable against the Depository Register or the Register of Members. The Company's responses to members' questions will be posted on the SGXNet not later than 48 hours before the closing date and time for the lodgement of the Proxy Forms, i.e. by **24 April 2024**.

   Verified members and Proxy(ies) attending the Physical Meeting will be able to ask questions in person at the AGM venue. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNet. The minutes of AGM will include the responses to the questions which are substantial and relevant.

Personal data privacy:

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

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she propose/second) may be recorded by the Company for such purpose.

ASPIAL CORPORATION LIMITED **PROXY FORM**

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197001030G)

IMPORTANT NOTICE FOR ALTERNATIVE ARRANGEMENT FOR ANNUAL GENERAL MEETING

1. A relevant intermediary may appoint more than two (2) proxies to attend the Annual General Meeting and vote (please see Note 3 for the definition of "**Relevant Intermediary**").
2. For investors who have used their Central Provident Fund ("**CPF**") monies ("**CPF Investors**") or monies in the Supplementary Retirement Scheme ("**SRS**") accounts ("**SRS Investors**") who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes, at least seven (7) working days before the time appointed for the holding of the AGM (i.e. by 5.00 p.m. on 18 April 2024).
3. By submitting this proxy form appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2024.

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

*I/We, ______________________ (Name) ______________ (NRIC/Passport/Company Registration Number)

of ____ (Address)

being a *member/members of Aspial Corporation Limited (the "**Company**"), hereby appoint:

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

and/or (delete as appropriate)

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

or failing him/her, the **Chairman of the AGM** as my/our* proxy/ proxies* to vote for me/us* on my/our* behalf at the AGM of the Company to be held Aspial One, 55 Ubi Avenue 3, Level 1, Singapore 408864 on Monday, 29 April 2024, at 3.30 p.m. and at any adjournment thereof.

* Delete where inapplicable

No.	Resolutions relating to:	Number of Votes For	Against	Abstain
	ORDINARY BUSINESS			
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2023 together with the Independent Auditors' Report thereon			
2	Re-election of Mr Koh Wee Seng as a Director of the Company			
3	Re-election of Ms Koh Lee Hwee as a Director of the Company			
4	Re-election of Mr Ong Tuen Suan as a Director of the Company			
5	Re-election of Ms Goh Bee Leong as a Director of the Company			
6	Approval of the Directors' fees of S$266,413 for the financial year ended 31 December 2023			
7	Re-appointment of Messrs Ernst & Young LLP as Auditors			
	SPECIAL BUSINESS			
8	Authority to allot and issue new shares			
9	Renewal of Share Purchase Mandate			
10	Authority to issue shares under the Aspial Performance Share Plan			
11	Authority to offer and grant awards under the Aspial Subsidiary Performance Share Plan 2022			
12	Authority to issue shares under the Aspial Corporation Limited Scrip Dividend Scheme			

*All resolutions put to the vote at the AGM shall be conducted by way of poll. If you wish the Chairman of the AGM as your proxy to cast all your votes **For** or **Against** a resolution, please indicate with an "X" within in the **For** or **Against** box provided in respect of that resolution. Alternatively, please indicate the number of votes **For** or **Against** in the **For** or **Against** box in respect of that resolution. If you wish the Chairman of the AGM as your proxy to **Abstain** from voting on a resolution, please indicate with an "X" in the **Abstain** box provided in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the AGM as your proxy is directed to Abstain from voting in the Abstain box in respect of that resolution. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid**.*

Dated this ________ day of ________________ 2024

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

____

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder
IMPORTANT: Please read notes on the reverse

Notes:

1. A member of the Company should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Singapore Securities and Futures Act 2001), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

2. This proxy form may be accessed at the Company's corporate website at the URL https://www.aspial.com/investor-relations/, and will also be made available on the SGX's website at the URL https://www.sgx.com/securities/company-announcements.

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

   CPF Investors or SRS Investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes, at least seven (7) working days before the time appointed for the holding of the AGM (i.e. by 5.00 p.m. on 18 April 2024).

3. The Chairman of the AGM, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited with the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

   (b) if submitted electronically, be submitted via email to the Company at the email: AspialAGM@aspial.com,

   (c) in either case, by **3.30 p.m.** on **26 April 2024** (being not less than seventy-two (72) hours before the time for holding the AGM).

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

5. The instrument appointing the Chairman of the AGM as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the AGM is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which; the instrument may be treated as invalid.

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

PERSONAL DATA PRIVACY:

By submitting this Proxy Form appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM of the Company and/or any adjournment thereof, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 April 2024.

ASPIAL CORPORATION LIMITED

Aspial One 55 Ubi Ave 3
Singapore 408864
Tel: 1800 382 1111
Email: info@aspial.com