

Aspial Lifestyle

ASPIAL LIFESTYLE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200806968Z)

RESPONSES TO QUERIES FROM SHAREHOLDERS IN RESPECT OF THE COMPANY'S ANNUAL GENERAL MEETING TO BE HELD ON 29 APRIL 2024

The board of directors (the “**Board**”) of Aspial Lifestyle Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the queries raised by shareholders of the Company in relation to the Company’s Annual General Meeting to be held on 29 April 2024 at 12.30 p.m..

The Company wishes to provide the following information in response to such queries on the Annual Report of the Company for the financial year ended 31 December 2023 (“**FY2023**”):

Question 1

Page 56 - Employee expenses

The employee expenses had increased 19m to 50m - very huge jump. What is the increase in headcount?

Company’s response:

The increase primarily stems from the expansion of operations in relation to the newly acquired subsidiaries, specifically in Singapore within the Retail and Trading segment and in Malaysia within the Pawnbroking segment. As a result, the Company expanded its store count by an additional 34 stores across both Singapore and Malaysia by the end of 2023, consequently leading to higher staff headcounts and expenses.

Does the increase in headcount include Bigfund Private Limited? If yes, how many headcount in the fintech company - Bigfund Private Limited?

Company’s response:

*The increase does not relate to BigFundr Private Limited (“**BigFundr**”).*

Question 2

Page 56 - Hedge loss

There is a huge loss of 1.2m - are these from interest risk hedges? or cross-currency hedges?

Company’s response:

The hedge loss relates to gold hedging transactions by the Group to manage its risks associated with unredeemed pledges. This loss (under Other Comprehensive Income) is offset by the subsequent sales of physical gold at the maturity of the hedging contracts.

Question 3

Page 81 - Audit fee

The audit fee for company auditor has increased sharply from 318K to 397K. Has the Audit Committee review the reasonableness for such a big increase?

Company's response:

The increase in audit fee mainly relates to the newly acquired subsidiaries as mentioned in Question 1, including one-off fees relating to the acquisitions and increase in the number of entities audited. In addition, audit fee had also increased due to inflationary pressures.

How long is our company auditor with us?

Company's response:

The Company's auditors, being Ernst & Young LLP, has been appointed since the initial public offering (IPO) of the Company. However, the engagement partner has only been in charge of the audit of the financial statements of the Group since the financial year ended year ended 31 December 2021.

Is it time to change the company auditor?

Company's response:

The Audit Committee evaluates the independence and recommend the appointment, re-appointment and removal of the external auditors, and its remuneration and terms of engagement on an annual basis. Please refer to page 30 on the Annual Report for FY2023 for further details on the Audit Committee's assessment. The re-appointment of external auditors are also subject to our shareholders' approval at the AGM on a yearly basis.

Question 4

Page 81 - Non audit fee

Are these fees for the professional services in hedging? Or just the corporate secretarial fees?

Company's response:

These are fees mainly relating to tax services.

If not for hedging, who did the company engage for hedging? If any, what is the cost?

Company's response:

The Group engages financial institutions and service providers in the gold industry for its hedging transactions.

Question 5

Page 81 - Financial loss on pledged items not fully covered by insurance - 376K

What much does the insurance cover? 50%?

Company's response:

The Group's insurance coverage is in line with the requirements of the Pawnbroker's Act. Insurance claims varies, based on the individual case and its circumstances.

Why a sudden jump in such losses? Is insurance coverage sufficient? Have the Audit Committee reviewed the adequacy of coverage?

Company's response:

The loss incurred for FY2023 predominantly stems from a specific claim made during that period. The management reviews and approves on insurance coverage annually.

Question 6

Page 117 - Unsecured Lending made a loss of 283K

If most of the loan had matured, why is there still such a big loss?

Company's response:

The loss mainly relates to foreign exchange losses.

How will Bigfund Private Limited impact Unsecured Lending going forward?

Company's response:

BigFundr will be included in the Secured Lending segment from FY2024 onwards.

Question 7

Page 107 - JPY and RMB payables

What are these items? Do we have transactions in Japan and China?

Company's response:

These transactions relate to purchase of retail merchandise from suppliers in Japan and China.

BY ORDER OF THE BOARD
ASPIAL LIFESTYLE LIMITED

Lim Swee Ann
Company Secretary
24 April 2024

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited ("Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement. The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: 6232 3210) at 1 Robinson Road #21-00 AIA Tower, Singapore 048542.