TRAVELITE

Travelite Holdings Ltd.

Tapping on Fair Winds

ANNUAL REPORT 2023

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Corporate Profile

Our founder, Mr Thang Teck Jong (TJ Thang), started the luggage business in 1986 to distribute luggage in Singapore. Over the years, we have diversified our product mix to include menswear, ladies fashion and other travel-related accessories. We currently represent over 20 international brands, either as a licensee or distributor, to market their products across various parts of Southeast Asia. Our distribution channel consists of departmental stores, chain of specialty stores, third party retail outlets, gift redemption and corporate gift programmes in Singapore and Malaysia; and wholesale distribution to third party distributors in countries such as Brunei, Cambodia, Indonesia, Myanmar, Thailand, Maldives and Kuwait.

Travelite Holdings Ltd was initially listed on the former SGXSESDAQ on 16 May 2007 and successfully upgraded to the SGX Mainboard on 24 August 2009, marking a significant milestone in the history of the Company.

Vision

The leading lifestyle brand management company in Asia and key international markets.

Mission

Enhance shareholders' value through a continued focus on profitability.

Increase consumer loyalty through excellent customer service.

Expand our brand representation & product segments through strategic acquisitions, joint ventures or alliances.

Distribution Channel

20+
International Brands

09
Distribution Countries

Corporate Information

BOARD OF DIRECTORS

Mr Thang Teck Jong Executive Chairman
Mr Foong Daw Ching Lead Independent Director
Dr Clemen Chiang Wen Yuan Independent Director

AUDIT COMMITTEE

Mr Foong Daw Ching Chairman
Dr Clemen Chiang Wen Yuan
Mr Thang Teck Jong

NOMINATING COMMITTEE

Dr Clemen Chiang Wen Yuan Chairman
Mr Foong Daw Ching
Mr Thang Teck Jong

REMUNERATION COMMITTEE

Dr Clemen Chiang Wen Yuan Chairman
Mr Foong Daw Ching
Mr Thang Teck Jong

COMPANY SECRETARIES

Ms Wee Woon Hong, LLB (Hons)
Mr Chong Tien Chen, CA Singapore

REGISTERED OFFICE

53 Ubi Avenue 3
Travelite Building
Singapore 408863
Tel: (65) 6785 8000
Fax: (65) 6785 7000
Website: www.etravelite.com

SHARE REGISTRAR

Tricor Barbinder
Share Registration Service
(A Division Of Tricor Singapore Pte. Ltd.)
80 Robinson Road, #02-00
Singapore 068898

INDEPENDENT AUDITORS

RSM Chio Lim LLP
Public Accountants And Chartered Accountants
8 Wilkie Road, #04-08 Wilkie Edge
Singapore 228095
Partner-In-Charge: Ms Pang Hui Ting, CA Singapore
(Appointed with effect from financial year ended
31 March 2022)

PRINCIPAL BANKERS

DBS Bank Ltd.
12 Marina Boulevard
Level 43, DBS Asia Central @ MBFC, Tower 3
Singapore 018982

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
OCBC Centre
Singapore 049513

United Overseas Bank Ltd
1 Tampines Central 1
#01-01 UOB Tampines Centre
Singapore 529539

VICTORINOX

Our Brands

DELSEY PARIS

VICTORINOX

ace.

URSinc. 一緒に行こう

Traveler's Choice® The trusted choice in travelware

PROTECA MADE IN JAPAN

WENGER®

BEVERLY HILLS POLO CLUB

Kanana project

AMERICAN FLYER

RESTO KITCHENWARE

B-FORM [ビーフォーム]

beside·u

Hedgren

soelte ソエルテ

Arnold Palmer™

bradFORD

Crocodile

VAN HEUSEN

FERRAGGUS

HECHTER PARIS

BRENTWOOD

pierre cardin PARIS

ALLANBROOKE

Chairman's Message

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the annual report for Travelite Holdings Ltd. for the financial year ended 31 March 2023 ("**FY2023**").

The world has continued to adapt to living with the COVID-19 pandemic, pushing for the virus to go endemic as businesses gradually opened up and governments eased lockdown restrictions. By April 2022, Singapore fully reopened its borders and travel around the world picked up again. This resulted in a strong recovery in the global travel market, which translated to a strong, positive momentum in travel-related businesses. Travelite has thus enjoyed a surge in sales and profitability following the recovery of international travel.

The Group saw a surge in revenue, mainly from our luggage business as the recovery of the travel and tourism industries led to an increase in demand for luggage products, with people fulfilling their desire to travel for leisure again for the first time since countries had closed their borders to contain the global spread of the pandemic. Our other business segments, in comparison, remained relatively stable. The Group intends to ride on the momentum of the travel and tourism industries' recovery, and has several strategies in place to expand our reach and capture a portion of the burgeoning market.

Due to the global pandemic, consumer spending has shifted towards online purchases. In order to tap on this shift, the Group has channelled resources into enhancing our online shopping platform by improving the website functionality and streamlining the checkout process. Additionally, we are actively exploring partnerships with popular social media platforms such as TikTok to grow our online presence and increase our reach, driving potential consumers to our website.

During the year, we launched a few new products, namely URS for apparel, which focuses on athleisure – coined from the combination of "athlete" and "leisure" – a style of casual and comfortable clothing that can be suitable for both exercise and everyday wear. We also launched new selections of ties and handkerchiefs under Hechter Paris; as well as a new backpack brand called Moral Bags. We have also opened a new concept store, Travel Zone, at Novena in early May 2023. Travel Zone is a one-stop shop for travel and holiday needs, selling travel luggage, backpacks, gadgets, and accessories at affordable prices. The store offers products from a variety of internationally renowned brands such as Delsey, Traveler's Choice, Pierre Cardin, and Hedgren.

While the travel economy is in its recovery stage following the easing of international travel restrictions, there are other areas in which the combined effects of the pandemic and other geopolitical factors pose a challenge to businesses and their recovery. In the

"The Group intends to ride on the momentum of the travel and tourism industries' recovery, and has several strategies in place to expand our reach and capture a portion of the burgeoning market."

Chairman's Message

Group's case, we anticipate an increase in material costs and rental costs of our boutiques and department stores. Furthermore, the economic downturn and rising inflation rates are expected to dampen consumer spending. In the face of these challenges, the Group has been focusing more on our online business, where rent costs or stores pose less of a constraint. We have also been participating heavily in promotion events and atrium sales at reasonable and affordable prices, in order to retain our consumer base in a highly competitive business environment. Travelite will not rest on our laurels as we continue to explore ways in which we can maintain our revenue growth and raise value for our shareholders.

Financial Highlights

The Group reported an 85.3% year-on-year surge in revenue to S$46.39 million as the Group's performance gradually improved following the full reopening of Singapore's borders, which led to tourism spending, and the lifting of work-from-home requirements so that companies can have their full work force return to their offices. Similarly, gross profit margin increased slightly from 45.6% in FY2022 to 48.6% in FY2023, mainly due to the larger contribution by the apparel division.

During the year, the Group registered other gains of S$2.56 million, mainly comprising reversal of impairment on inventories of S$1.86 million and government grants of S$0.69 million. The Group's other losses were recorded at S$0.89 million, of which S$0.63 million comprised allowance for impairment on trade receivables.

As a result of the above, the Group saw a significant increase in profit before tax of S$3.54 million for FY2023, compared to S$0.26 million as recorded in FY2022.

Business Prospects

After emerging from two years of navigating the COVID-19 pandemic, the easing of travel restrictions and reopening of borders has led to a surge in international travel and tourism. In addition to improving our online presence, the Group also intends to tap on this resurgence of the travel economy by participating in mega luggage and travel events such as NATAS (National Association of Travel Agents Singapore), Takashimaya Mega Luggage Fair, and The Hottest Luggage Sale. Apart from large-scale events, we will also participate in promotion events such as atrium sales for luggage and travel accessories and apparel, targeting not only tourist-heavy shopping malls, but also the shopping malls in the heartlands. By raising consumer awareness of our products, we will be able to indirectly increase demand for them.

As we make inroads to grow in the traditional retail scene, we are also strengthening our online reach. The restriction to movement and in-person interactions that were put in place to contain the spread of the pandemic as cities went in and out of lockdown has shifted more consumers towards online shopping. Even after restrictions were lifted, online shopping remains a popular and well-integrated platform where products are easily available at consumers' fingertips. With this in mind, we have been improving our online presence via collaborations with major airline apps such as KrisPlus, in order to tap into the expanding and rapidly recovering travel industry, as well as maximise our reach. We are in the process of establishing collaborations with such apps, and through these partnerships, aim to offer exclusive deals and promotions tailored to their user base, thereby expanding our customer reach and driving sales.

With the traditional and online channels well covered, the Group is also looking beyond organic growth and seeks to expand through diversification into new areas via strategic acquisitions and investments. For the year under review, we have identified an opportunity in the growing lifestyle and entertainment industry to diversify our businesses and broaden our revenue streams.

On 24 March 2023, Travelite entered into a sale and purchase agreement with Funkie Monkies Ventures Pte. Ltd. ("**Funkie Monkies**") in relation to the acquisition of Funkie Monkies. Upon the completion of the acquisition, Funkie Monkies will become a 40%-owned associated company of Travelite, through which Travelite intends to expand our business into music education and artist management. The acquisition aligns with our corporate strategy to diversify and enhance returns for shareholders as well as achieve long-term growth, as well as improving our prospects for the future.

Moving forward, we will continue to build our momentum in these areas to improve our standing and resilience capabilities in an increasingly competitive market, and enhance shareholders' value in the long-term.

Acknowledgement

On behalf of the Board, I would like to express my gratitude to the management team and employees, who have remained steadfast and committed to the Group, despite the challenges we had faced over the past few years and navigate the shifting landscape of today's economy. To our business partners, customers and shareholders, I am grateful for your understanding and unwavering trust in us, which has supported us through the difficulties of recent years. As we move forward, cautiously but optimistically, we will strive to maintain and sustain our growth trajectory as the world continues to recover from the aftereffects of the first outbreak of the pandemic.

THANG TECK JONG (TJ THANG)

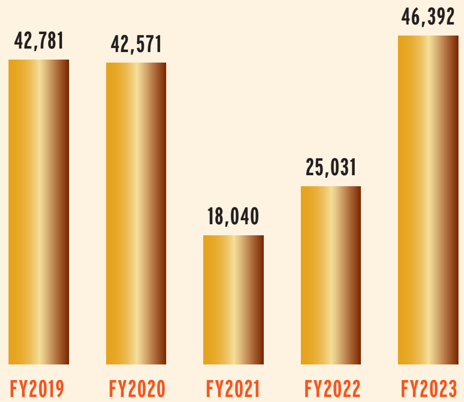
Executive Chairman

Financial Highlights

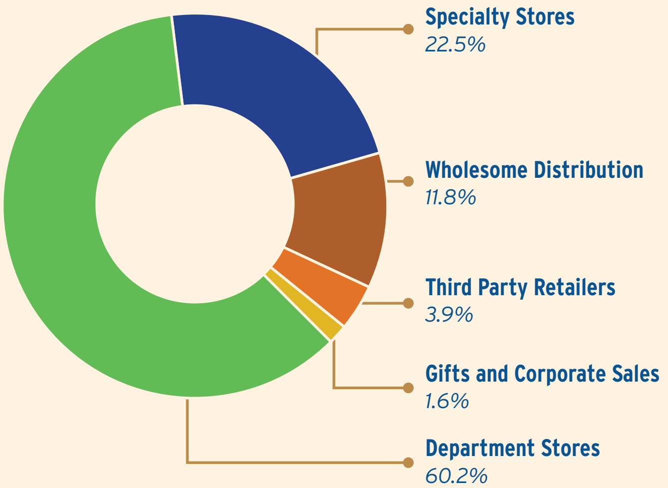
Financial Years	FY2019	FY2020	FY2021	FY2022	FY2023
Financial Results					
Revenue ($'000)	42,781	42,571	18,040	25,031	46,392
Profit/(Loss) Before Tax ($'000)	399	(5,895)	(1,104)	262	3,537
Earnings/(Loss) Per Share (cents)	0.4	(9.7)	(2.9)	(0.6)	4.9
Financial Position					
Non-Current Assets ($'000)	24,029	30,817	29,996	27,929	28,102
Net Current Assets ($'000)	15,040	10,440	16,689	17,675	17,911
Total Equity(1) ($'000)	28,254	22,050	20,719	20,548	24,092
Net Debt (Cash) ($'000)	14,611	29,157	24,459	21,210	15,476
Return on Equity (%)	0.8%	-27.7%	-8.7%	-2.0%	13.3%
Net Debt to Equity Ratio (times)	0.5	1.3	1.2	1.0	0.6
Net Assets Per Share (cents) (excluding treasury shares)	44.8	34.9	32.8	32.6	38.2

(1) Includes non-controlling interests.

Revenue ($'000)



Segments Revenue (%)



FERRAGGUS

Board of Directors

Thang Teck Jong (TJ Thang)

Executive Chairman

He is the Executive Chairman of the Company. Mr Thang formulates the Group's strategic directions and expansion plans. As the founder, he has been instrumental in the growth and development of the Group since its inception in 1986.

Mr Thang was named as one of the Entrepreneur of the Year 2005 by ASME and the Rotary Club of Singapore. He received the Service to Education Award (Pewter) from Ministry of Education for his long-term contributions.

He was conferred a Master's Degree of Business Administration (EMBA) by University of Hull.

Foong Daw Ching

Lead Independent Director

Mr Foong Daw Ching is our Lead Independent Director and Chairman of the Audit Committee. He has more than 30 years of audit experience and was the managing partner of Baker Tilly TFW LLP and the Regional Chairman of Baker Tilly International Asia Pacific Region. He retired as managing partner of Baker Tilly TFW LLP and stepped down as the Regional Chairman of Baker Tilly International Asia Pacific Region in 2010 and 2016 respectively.

He is an Independent Director and the chairman of the audit committee of Suntar Eco-city Limited, and Luminor Financial Holdings Limited. All these companies are listed on the SGX-ST. He was awarded the Merit Service Award by the Institute of Certified Public Accountants of Singapore in 2000, and a Public Service Medal (Pingat Bakti Masyarakat) by the President of Singapore in 2003.

Mr Foong is a Fellow of the Institute of Chartered Accountants in England and Wales, a Fellow of the Institute of Singapore Chartered Accountants and a Fellow of CPA Australia.

Board of Directors

Dr Clemen Chiang Wen Yuan

Independent Director

He is an Independent Director and Chairman of Remuneration and Nominating Committee of the Company. He has been the Chief Executive Officer of Aly Pte. Ltd. since 2016. Aly Pte. Ltd. is a fintech company that provides real-time information on trades made by sophisticated investors to help retail investors make better investment decisions with greater confidence based on market knowledge they never had before. It secured investment from Quest Ventures, a leading venture fund for technology companies that have scalability and replicability in large internet communities. It was supported by the National Research Foundation, Prime Minister's Office, Singapore under the Interactive & Digital Media Strategic Research Programme.

Dr Clemen Chiang Wen Yuan is a Chartered Fellow of the Chartered Management Institute in the United Kingdom, and a Chartered Marketer and a Fellow of the Chartered Institute of Marketing in the United Kingdom. He obtained a Bachelor of Engineering (Civil) from the Nanyang Technological University in 2000, a Master of Business Administration from the University of Louisville, United States in 2002 and a Doctor of Philosophy from the University of Canberra, Australia in 2017.

Key Management

Chong Tien Chen

Group Financial Controller

Mr Chong Tien Chen joined the Group in October 2022 and is responsible for all the financial management and accounting functions of the Group. He also acts as the joint company secretary for the Group.

He has about 11 years of auditing experience covering companies listed on the Singapore Stock Exchange and entities across diverse sectors. Before joining the Group, Tien Chen was an audit senior manager for a Big 4 Audit Firm and an audit manager for a leading mid-tier Audit Firm in Singapore. He was then led finance team for a private entity and responsible for the accounting operations of the Company.

Mr Chong is a Fellow member of the Association of Chartered Certified Accountants (ACCA) and a member of the Institute of Singapore Chartered Accountants (ISCA).

Yeo Guan Hong (Simon)

Managing Director - Demarco Pte Ltd

He is the Managing Director of Demarco Pte Ltd ("**Demarco**"). He joined in 2005 as Assistant Manager and rose to become the General Manager of Demarco in 2009.

Previously, Mr Yeo was employed by another wholesale and retail company in Singapore dealing with luggage and bags where he gained considerable knowledge and experience in the wholesale and retail trade.

Mr Yeo is responsible for planning and implementing all action plans and decisions to ensure the profitability objectives of Demarco are achieved. He is also responsible for overseeing the day-to-day operations and administrative matters of Demarco.

Mr Yeo completed his formal education up to the level of School Certificate in Malaysia.

Key Management

Chew Chiew Hor (Johnny)

Managing Director - YG Marketing Pte. Ltd.

He is the Managing Director of YG Marketing Pte. Ltd. ("**YG Marketing**"). Having been in the menswear wholesale and retail industry for over 20 years, Johnny has accumulated extensive experience, starting from an operational role before rising to hold various key management positions. Prior to joining Travelite in 2015, he was a founder of a boutique menswear company, developing his house label into a renowned local brand within a short span of 5 years.

Mr Chew is responsible for achieving the strategic and financial objectives of YG Marketing. To ensure that these objectives are met, he also plays an integral role to spearhead strategies and implementing action plans on the operations and administrative decisions of YG Marketing.

He graduated with a Diploma in Marketing from National Productivity Board, or what is known now as PSB Academy in Singapore.

Toh Kian Hock (Mark)

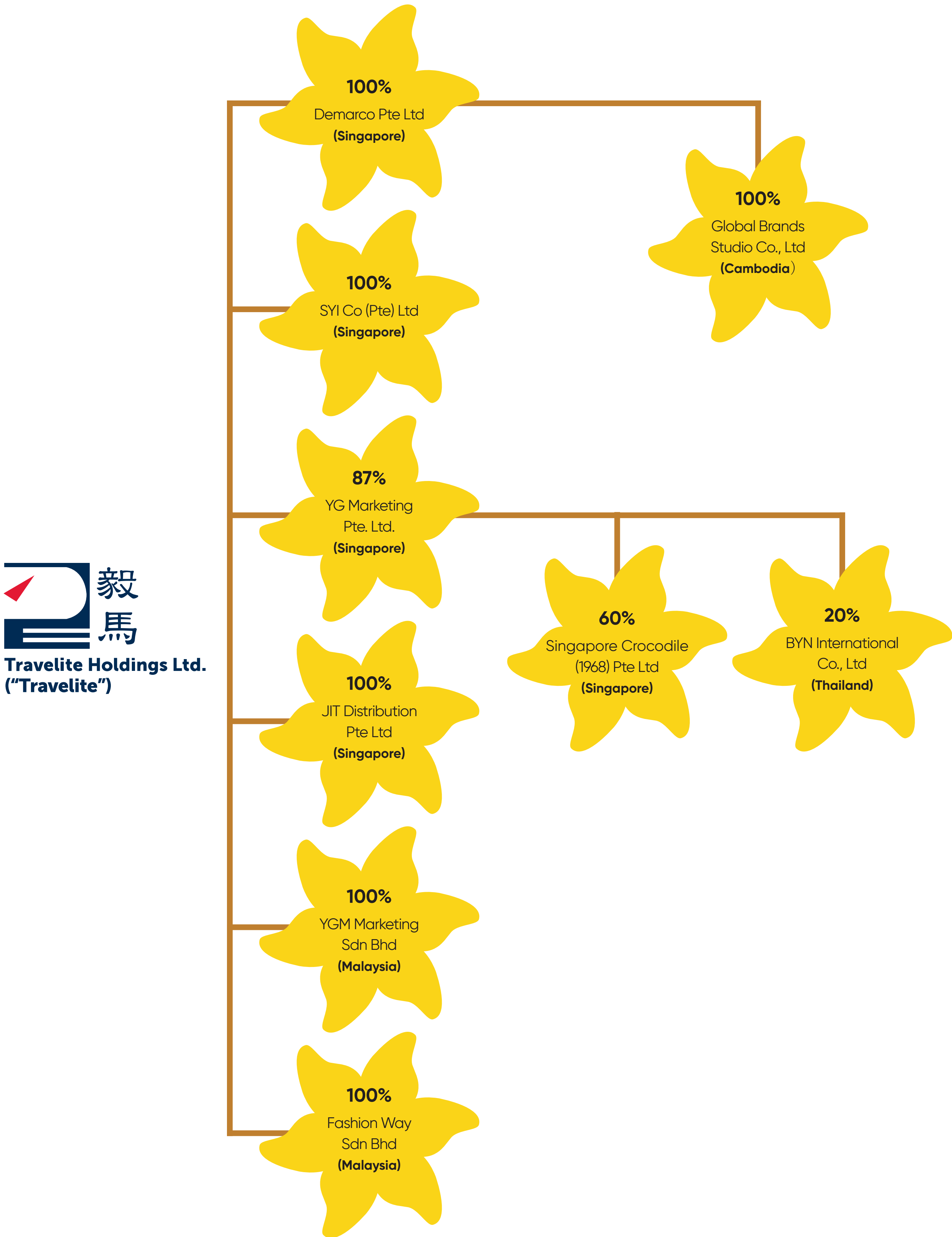
General Manager - Singapore Crocodile (1968) Pte Ltd

He is the General Manager of Singapore Crocodile (1968) Pte Ltd ("**Singapore Crocodile**"). Prior to joining Travelite in 2015, Mark was previously the Division General Manager of a Hong Kong-listed fashion and retail company in Singapore.

He has over 20 years of experience in the retail trade, mostly in the apparel and accessories segment. Mr Toh is responsible for implementing all action plans and decisions in accordance to the Group's overall strategic business plans and directions. He also oversees the day-to-day operations and administrative matters of Singapore Crocodile.

He completed his formal education up to the Singapore-Cambridge GCE O-Level in Singapore.

Group Structure




Crocodile
EST 1947

Sustainability Report

ABOUT THIS REPORT

Travelite Holdings Limited is pleased to present its Sustainability Report for the financial year of 1 April 2022 to 31 March 2023 ("**FY2023**"), which is published annually to comply with Singapore Exchange Securities Trading ("**SGX-ST**") Listing Rules 711A and 711B. The purpose of this report is to provide insights into Travelite's performance in areas of Environmental, Social, and Governance ("**ESG**") that are important to its business operations in Singapore.

The report has been prepared with reference to the Global Reporting Initiative ("**GRI**") Standards 2021, and a GRI Content Index is included to outline the relevant material indicators for Travelite. The GRI Standards were chosen because they are a widely recognized sustainability reporting framework that addresses a broad range of issues that Travelite is concerned with. The report adheres to the GRI reporting principles. The company has started to identify relevance of climate risks to our business and will consider incorporating disclosures in line with recommendations by the Taskforce on Climate-related Financial Disclosures ("**TCFD**") gradually in the future.

Figure 1: Four Reporting Principles by the GRI Standards

This report covers the following entities: Travelite Holdings Ltd ("**Travelite**"), Demarco Pte Ltd, YG Marketing Pte. Ltd., and Singapore Crocodile (1968) Pte Ltd. Our operations in Malaysia and Cambodia, where revenue contribution is less than 10%, are not considered significant and are therefore not included in the report.

In line with the updated SGX Listing Rules that took effect on 1 January 2022, the sustainability reporting process has also been subjected to internal review by the Group's internal audit function. This internal review conducted is in accordance with the standards for the Professional Practice of Internal Auditing as prescribed by The Institute of Internal Auditors.

Travelite did not seek external assurance for this report but may consider doing so in the future to demonstrate its commitment to ongoing improvement.

CONTACT US

Any questions or feedback on this report can be directed to:
Group Financial Controller
Chong Tien Chen
tcchong@etravelite.com

Sustainability Report

SUSTAINABILITY BOARD STATEMENT

Dear Stakeholders,

At Travelite, we understand the significance of shaping a sustainable future for future generations. We acknowledge the interrelation of economic, environmental and social sustainability and are determined to bring about a positive impact.

Through our efforts in reducing waste, conserving energy, and implementing sustainable practices across our operations, we aim to actively minimise our environmental footprint. For example, we have introduced initiatives to lower electricity and fuel consumption, and we monitor our annual energy usage to ensure that we are on track towards a greener approach.

Equally important to us is social sustainability, and we are committed to treat our employees, customers and suppliers fairly and respectfully. We prioritise creating a safe workspace for our employees and fostering uniquely diverse and inclusive culture throughout our organisation.

Moreover, we are committed to encouraging and aiding our subsidiary communities through charitable efforts supporting local initiatives which align with our mission and values. Our Board frequently provides oversight for our sustainability endeavours, where we aim to deliver long-term sustainable value to stakeholders. We recognise that our pursuit to attain a sustainable future will be an ongoing journey, hence we are dedicated to continually developing our practices and establishing ambitious sustainability targets. We strongly believe that through effective collaboration and communication with one another, we can collectively create a better world for everyone.

LONG-TERM VALUE

Our focus is on conceiving sustainable value for our customers and stakeholders. To honour this commitment, we adhere to strong corporate governance principles and regularly assess our progress internally to ensure our trajectory towards a sustainable future. We understand the importance of our workforce in driving our achievements, which is why we have taken extra precautions to assure our resilience in the aftermath of the Covid-19 pandemic. We have enforced strategic arrangements for business continuity and amended policies to further promote the well-being and safety of our employees. Additionally, we have adjusted our company expansion plans to accommodate a reduction in physical retail activities and introduced internal staffing shifts to expedite these adaptations.

ADAPT TO CHALLENGES

With the world transitioning into a new era after the pandemic, we are committed to seizing opportunities amidst the changes and uncertainties. At Travelite, we have bolstered our digital and agile capabilities by accelerating the development of our internal business functions and restructuring our employee departmental frameworks during this fiscal year. Looking ahead, our objective is to leverage our business platform to diversify our range of products and focus on online retail to broaden our reach. This year, we have explored various methods to improve our employee training programs, supplying them with mandatory resources and knowledge to adapt to the market's ever-changing demands. As we enter the next stage of our journey, we maintain our commitment to actively engaging with our customers, suppliers, investors and colleagues, prioritising our families' safety, fostering business resilience, and emerging victorious in our endeavours.

Mr Thang Teck Jong (TJ Thang)
Executive Chairman

OUR SUSTAINABILITY COMMITMENT

Aspect	Topics	FY2023 Achievement	FY2024 Target
Economic and Governance	**Economic Performance**	About $46 million of direct economic value was generated in FY2023.	To maintain the achievement of $46 million in FY2024.
	Anti-Corruption	We continued to communicate our anti-corruption policies to all our managers and executives.	Continue to ensure all level are aware of anti-corruption policies and remain the compliance with relevant laws and regulations.
	Supplier Social And Environmental Assessment	We have assessed all our key suppliers according to our environmental and social assessment criteria.	To work with suppliers to ensure an ethical and transparent value chain.
Environmental – Our Green Movement	**Energy**	In FY2023, we have consumed 1,148,219.80 kWh this year due to reopening of border since April 2022.	We will continue to monitor the progress and ascertain our efforts are still effective.
	Emissions	In FY2023, we expanded the emission calculation to cover scope 1 emission to further improve the completeness of Greenhouse Gas ("**GHG**") emission disclosure. The total emissions of scope 1 and scope 2 are 536,591.84 kg carbon dioxide equivalent ("**CO_2e**").	We will continue to track and monitor and encourage the staff to save energy.
Social – Our People, Our Asset	**Occupational Health and Safety**	There were zero health and safety incidents recorded in FY2023.	We will continue to maintain zero incidents of health and safety in FY2024.
	Training and Education	Our employees underwent a total of 8.75 hours of training per employee in FY2023.	In FY2024, we will enhance the importance of training by engaging more employees in training courses.
	Non-Discrimination	There were no incidents of discrimination reported in FY2023	We will continue to maintain zero incidents of discrimination in FY2024.
	Diversity And Equal Opportunity	Maintained a diverse workforce and prioritised internal transfer	To maintain a diversify workforce in the organisation and prioritised internal transfer.
	Employment	Our new hire rate has increased to 34.38% compared to 28.20% last year, while our turnover rate has decreased from 30.90% last year to 22.32% this year.	We will ensure the existing talents are satisfied with the current working environment and reduce the turnover rate.
	Customer Satisfaction and Privacy	There were no complaints related to customer privacy received.	We will continue to maintain our performance for FY2024.

Sustainability Report

TRAVELITE'S SUSTAINABILITY APPROACH

Sustainability Governance

Board ESG Oversight

A sound governance framework forms the basis for embedding responsible and sustainable business practices within our organisation. The Board is responsible for determining the material ESG factors to the business development, setting strategic objectives and targets for our sustainability journal, as well as overseeing the development of our annual sustainability report.

Senior Management and ESG Taskforce

We have established an ESG taskforce to develop Travelite's sustainability strategy and practices. The ESG taskforce is composed of department heads from various entities within Travelite. The taskforce's primary duties and responsibilities include:

- Support our management team in identifying critical ESG factors that impact the business.
- Advocating for the creation and implementation of sustainability policies and procedures within the day-to-day operations of the organization; and
- Consistently involving teams from various business units and functions in sustainability matters.

With the support of the ESG taskforce, our Management is responsible for integrating ESG considerations into the organization's strategy and operations. As climate change is an issue with growing importance, the company will evaluate the need and how it can integrate climate-related risk management duties into senior management responsibilities and board oversight in the future.

Managing Risks

Our commitment to risk management extends across our operations and supply chain. During FY2023, we remained vigilant in managing business and associated risks to safeguard the interests of our stakeholders over the long term. Furthermore, we conducted periodic reviews to pinpoint areas of significant risk and implemented measures to mitigate these risks.

Please see the Corporate Governance section on page 37 for further information on our risk management strategy.

Responsible Supply Chain

As a company that acquires manufactured items from suppliers and distributes them as a licensee or distributor in Southeast Asia, Travelite recognizes the significance of our supply chain to our overall strategy. Our key products, such as travel products and ladies' handbags, are mainly sourced from China, Belgium, and the United States, while our apparel is predominantly obtained from Singapore, China, Malaysia, and Thailand.

We have made significant strides in establishing and upholding ethical and sustainable supply chain practices. To this end, we have implemented an integrated supply chain management system, encompassing procurement and inventory management processes to promote transparency and traceability. We also conduct environmental and social assessments of our suppliers to identify and mitigate any risks in our supply chain. It is our goal to procure and promote products from sustainable sources to prioritize the interests of our stakeholders.

Membership Of Association

For FY2023, Travelite continues its membership in the following associations:

- Business Network International
- Singapore Business Federation
- Singapore Chinese Chamber of Commerce and Industry
- Singapore Retailers Association

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

In our pursuit of sustainability, Travelite recognises the importance of listening to our stakeholders and addressing their concerns. As our business operations have an impact on them, we regularly engage with them to understand their perspectives on ESG issues, which informs our materiality evaluation process.

We use various communication channels to keep our stakeholders updated on our corporate developments and activities, and we actively seek their feedback on sustainability matters and their areas of concern to incorporate their input into our sustainability initiatives. We have summarized the details of our stakeholder engagement programs for FY2023 in the figure below.

Stakeholders	GRI Topics	Areas of Concern	Means of Engagement
Employees	• Employment • Training & Education • Diversity & Equal Opportunity • Non-discrimination • Occupational Health & Safety	• Remuneration and benefits • Training and development • Ethics and conduct • Diversity	• Performance appraisal • Ongoing communication • Training needs identification • Sustainability reporting
Customers	Customer Privacy	• Corporate social responsibility • Environmental compliance • Social compliance	• Annual reports • Sustainability reporting
Suppliers	• Supplier Environmental Assessment • Supplier Social Assessment	• Usage of packaging materials and recycling efforts	• Sustainability reporting
Government and Regulatory Bodies	• Energy • Emissions • Suppliers Environmental Assessment • Anti-corruption	• Environmental compliance • Environmental matters • Regulatory and Industrial requirements (Ministry of Manpower	• SGX announcements • Annual reports • Sustainability reporting • Ongoing dialogues
Shareholders and Investors	• Economic Performance	• Economic performance • Anti-corruption	• Annual reports • Investors relations management • Sustainabilty reporting

Figure 2: Travelite's Key Stakeholder Groups

Sustainability Report

Each year, Travelite performs a materiality assessment update to confirm that all previously identified material topics remain applicable to our business operations and stakeholders. The process of our annual assessment update is outlined as follows:

01

REFRESH MATERIAL TOPICS

A peer benchmarking was performed to identify ESG topics commonly concerned by the industry. The result was used to refresh our material ESG topics, so the selected topics stay relevant to our current business operations.

02

CONDUCT INTERNAL DISCUSSION

Several rounds of internal discussions were conducted between management and employees that were proxy to the various stakeholders group.

03

MANAGEMENT REVIEW AND BOARD APPROVAL

Management review was conducted to evaluate and prioritise the importance of the ESG factors raised by considering the company's significant economic, environment and/or social impact. The top ESG factors consolidated were subsequently endorsed by our management and the board of directors.

Figure 3: Materiality Assessment Process

Sustainability Report

The material topics and corresponding GRI sub-topics selected for FY2023 are listed below, including their respective topic boundaries[1]:

Category	Topic	GRI Reference	Sub-topics	Topic Boundary
Economic	Economic Performance	201-1	Direct economic value generated and distributed	Within organisation
	Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	Within organisation
Environmental	Energy	302-1	Energy consumption within the organisation	Within organisation
		302-3	Energy intensity	
	Emissions	305-2	Indirect GHG emissions (Scope 2)	Within organisation
		305-4	GHG emissions intensity	
	Suppliers Environmental Assessment	308 -1	New suppliers that were screened using environmental criteria	Outside organisation
Social	Employment	401-1	New employee hires and employee turnover	Within organisation
	Occupational Health and Safety	403-1	Occupational health and safety management system	Within organisation
		403-2	Hazard identification, risk assessment, and incident investigation	
		403-3	Occupational health services	
		403-4	Worker participation, consultation, and communication on occupational health and safety	
		403-5	Worker training on occupational health and safety	
		403-6	Promotion of worker health	
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	
		403 -9	Work-related injuries	
	Training and Education	404 -1	Average hours of training per year per employee	Within organisation
		404-3	Percentage of employees receiving regular performance and caree r development reviews	
	Diversity and Equal Opportunity	405 -1	Diversity of governance bodies and employees	Within organisation
	Non-discrimination	406 -1	Incidents of discrimination and corrective actions taken	Within organisation
	Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Outside organisation
	Customer satisfaction[2] and privacy protection	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Within organisation

Figure 4: GRI Sub-Topics Selected for FY2023

1 Topic Boundary refers to where the impacts occur for a material topic and the organisation's involvement with those impacts. Organisations might be involved with impacts either through their own activities or as a result of their business relationships with other entities.

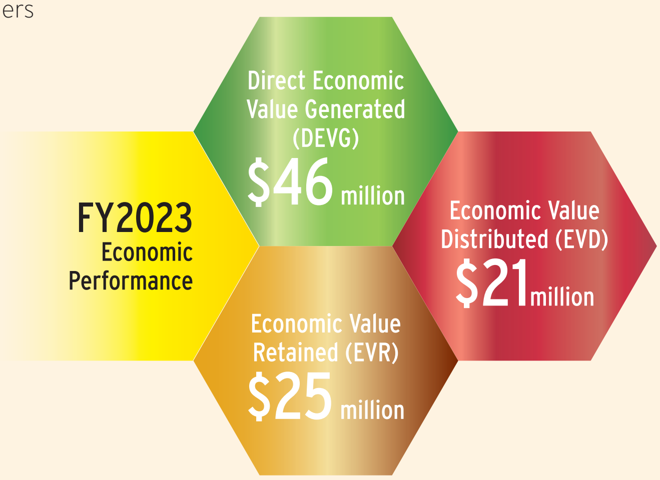
2 Customer satisfaction, non-GRI topics, are identified as material during the materiality refreshment process and added into this year's list of material ESG topics.

Sustainability Report

OUR COMMITMENT – ECONOMIC AND GOVERNANCE

Economic Performance

In FY2023, Travelite's direct economic value reached $46 million, reflecting the company's contribution to the economy. The economic highlights for the previous fiscal year, FY2023, are presented in the figure below. The figure outlines Travelite's direct economic value generated ("**DEVG**")[3], economic value distributed ("**EVD**")[4], and economic value retained ("**EVR**")[5]. This information provides stakeholders with a transparent view of the company's economic performance and distribution of its value to various stakeholders



FY2023 Economic Performance Comparison

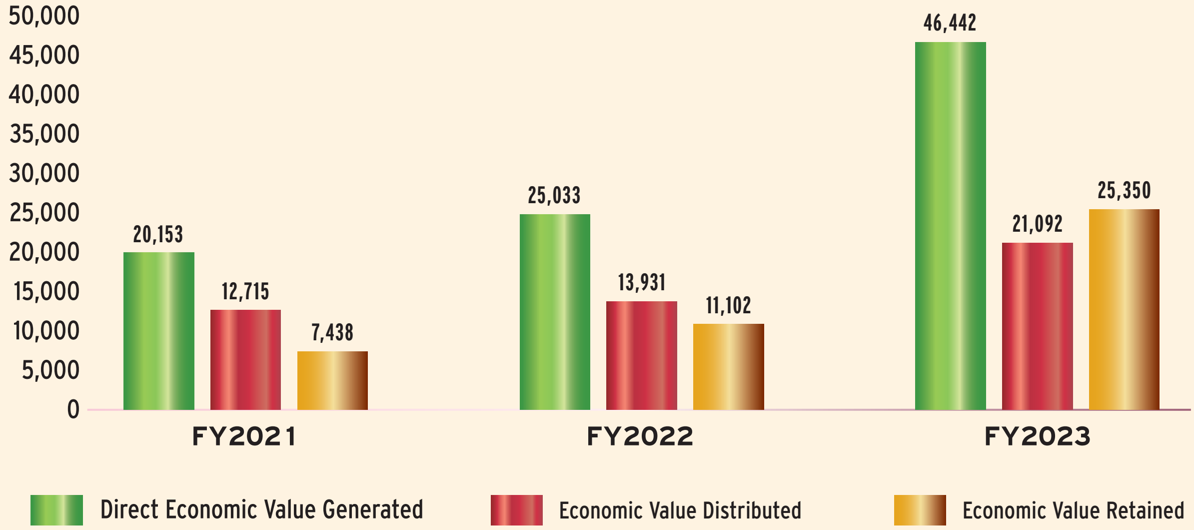


Figure 5: FY2023 Economic Performance Summary

For a more detailed breakdown of our FY2023 financial results, please refer to the relevant financial statement sections on pages 65 to 68.

3 Direct economic value generated typically refers to the revenue generated by the organisation for the reporting period, which can be calculated as net sales, plus revenues from financial investments and sales of assets

4 Economic value distributed typically refers to the sum of operating costs, employee wages and benefits, payments to providers of capital, payments to government by country and community investments.

5 Economic value retained refers to the value of direct economic value generated less economic value distributed.

Anti-Corruption

Travelite is dedicated in upholding compliance with laws and regulations in our business operations and internal processes. Travelite has a zero-tolerance policy towards any form of corruption, bribery, and other fraudulent practices by third parties or by our employees with regards to the provision of goods and services to Travelite, or acting on our behalf. We maintain our utmost commitment to conducting business with integrity, professionalism and ethics as outlined in the Code of Conduct. Travelite has developed and formulated policies that clearly outline how to handle interested party transactions, gifts and hospitality, and procurement fraud. This entails how our employees should evaluate if their actions align with the Group's pledge. Additionally, Travelite has established a whistleblowing system to provide a safe platform for employees to report any misconduct anonymously.

Training on anti-corruption practices is conducted internally to cultivate and consolidate an integrity culture. Travelite has facilitated the training of the Code of Conduct to all participating employees during their onboarding processes, in which they are provided with knowledge and information on compliance with our anti-corruption policies.

In FY2023, Travelite has no confirmed incidents of corruption.

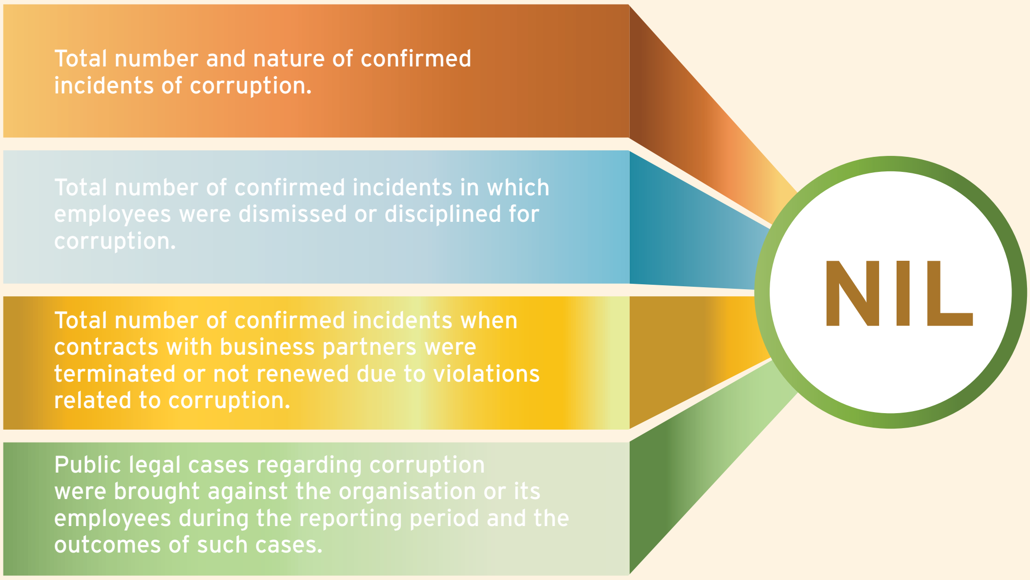


Figure 6: Performance for Anti-Corruption in FY2023

Supplier Environmental Assessment & Social Assessment

At Travelite, we hold a strong commitment to ensuring a transparent and ethical value chain with our suppliers. Through industry influence and continuous efforts, we proactively envision to extend our sustainability efforts beyond our direct suppliers to encompass the broader supplier ecosystem.

As a brand management and product distribution company representing 20 international lifestyle brands, Travelite oversees the management of goods manufactured by environmentally friendly, socially responsible third-party suppliers and delivers them to our customers situated across Southeast Asia.

Travelite is proactive in monitoring any detrimental environmental and social impacts arising from the business operations of suppliers through a rigorous screening process. Our key suppliers, responsible for 70% of our annual purchases, undergo regular assessments to ensure their operations align with our standards. This ensures that the goods we distribute to customers across Southeast Asia are sustainable and socially responsible.

The following criteria are used in our Supplier Environmental and Social Assessments:

Supplier Environmental Assessment	Supplier Social Assessment
• Land pollution • Air pollution • Water pollution • Noise pollution • Biodiversity loss • Land degradation • Climate change	• Work-related fatalities • Specific diseases related to work • Incidents of discrimination • Incidents of child labour • Incidents of forced or compulsory labour • Incidents of violations involving the rights of indigenous peoples • Operations with negative impacts on local communities (e.g., use of hazardous substances) • Incidents of non-compliance concerning health and safety impacts of products and services • Incidents of non-compliance concerning product and service information and labelling • Incidents of non-compliance concerning marketing communications • Complaints concerning breaches of customer privacy and losses of customer data • Non-compliance with laws and regulations in the social and economic area

In FY2023, no new key suppliers were contracted. To ensure that our current key suppliers adhere to our environmental and social performance expectations, Travelite conducts frequent spot monitoring on them. The results and data obtained from these assessments are used by our supply management team to make informed decisions when selecting future suppliers.

Moving forward, Travelite will continue to strive towards a more sustainable and ethical supply chain as we intend to expand this practice to include all our new and existing suppliers.

Customer Satisfaction And Privacy Protection

Quality sales and after-sales experience are of paramount significance in maintaining and prolonging client relationships. Therefore, to continuously improve our services, we regularly monitor online customer reviews of our products and repair services. We are committed to improving our responsiveness, shortening repair duration, and enhancing after-sales support. Additionally, we may implement rating questionnaires or surveys to evaluate the services provided by our department store sales staff.

The trust and privacy of our clients are of utmost importance to us, thus we place their interests at the pinnacle of our priorities. Travelite strictly conforms to the Personal Data Protection Act ("**PDPA**") and all other relevant laws and regulations in areas where we operate. We only contact clients for marketing purposes after obtaining their informed consent. Any personal information collection from clients is performed solely on n a need-to-know basis, and access to this information is limited to authorised individuals only.

To ensure good data privacy protection, Travelite has developed its own Personal Data Protection Policy. The policy provide guidance on how their personal data may be collected, used, disclosed or processed in accordance with the PDPA. Our data protection officer helps investigate and resolve any complaints from our customers. We take non-compliance with the PDPA seriously and will not hesitate to enforce disciplinary action against responsible parties. The severity of the penalty will be determined on a case-by-case basis.

Our performance for customer privacy in FY2023 is illustrated in the following diagram. We plan to retain our performance records in the subsequent year as well.

Figure 7: Performance for Customer Privacy in FY2023

OUR FOOTPRINT – ENVIRONMENT

Energy

Travelite is cognisant that our operations have environmental impacts on the planet and is therefore dedicated to taking climate action. Through examining and improving our energy management practices, we hope to manage our operational impact and reduce our environmental footprint. Travelite has committed to reducing or maintaining our energy consumption levels and energy intensity ratio every year since 2018.

Having completed an internal analysis of our energy consumption, we have identified two key areas for improvement. Based on the analysis result, we have launched several initiatives to lower our electricity and fuel usage. In addition, we closely monitor our energy consumption on a yearly basis to ensure that we are on track towards achieving a more sustainable operation.

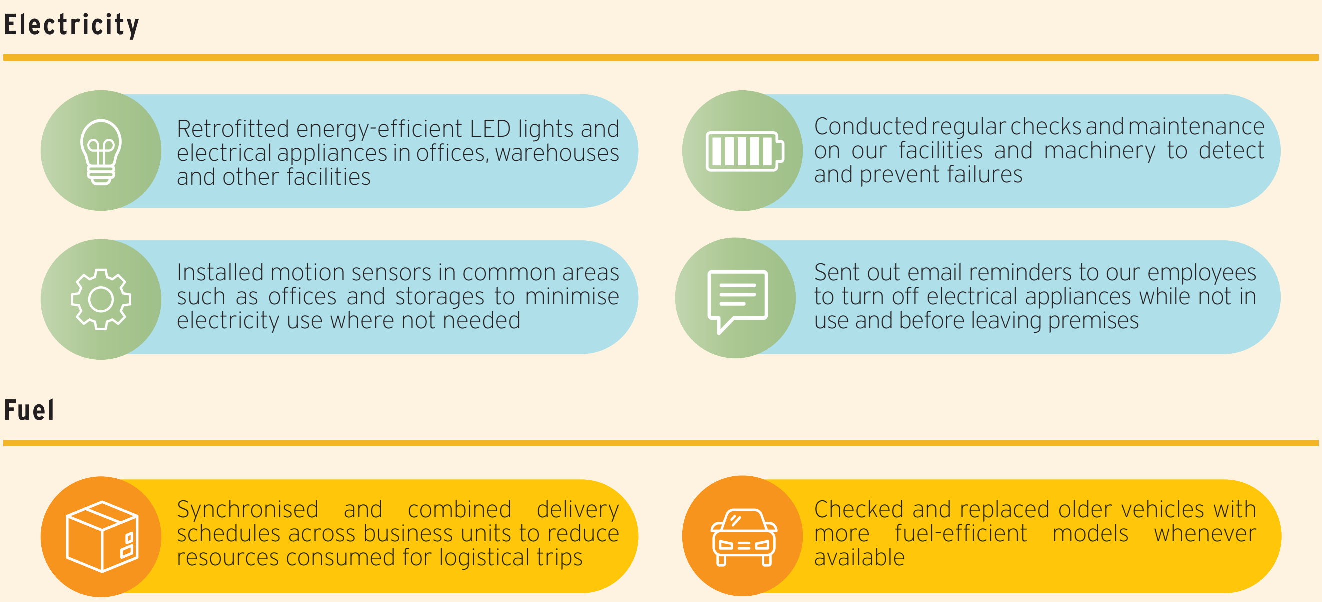


Figure 8: Initiatives in Place to Reduce Electricity and Fuel Consumption

Sustainability Report

As part of our commitment to reducing our carbon footprint and mitigating climate change impacts, Travelite closely monitors and manages our energy consumption. Our recorded energy intensity within the organization for FY2023 is 269.61 MJ/sqm[6]. We recognize the importance of ongoing monitoring to identify areas of potential improvement and will continue to strive towards reducing our energy consumption in the years to come. We remain dedicated to identifying opportunities for further reduction to achieve our energy efficiency goals.

	FY2022	FY2023
Total fuel consumption within the organisation from non-renewable sources (kWh)	295,202.64	248,480.21
Total Electricity purchased for consumption (kWh)	870,111.14	899,739.59
Total energy consumption within the organisation (kWh)	1,165,313.78	1,148,219.80

Figure 9: Energy Consumption within the Organisation[7]

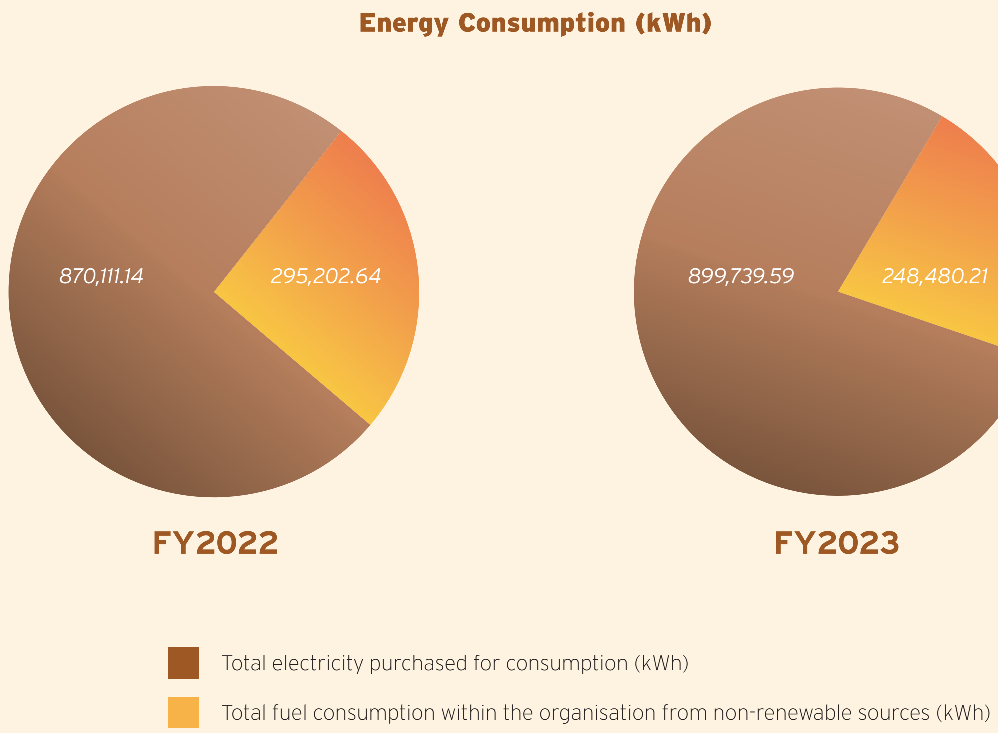


Figure 10: Total Energy Consumption within the Organisation

6 The energy intensity calculation covers fuel and electricity usage.

7 Our total energy consumption within the organisation only includes non-renewable fuel consumed and electricity purchased for consumption.

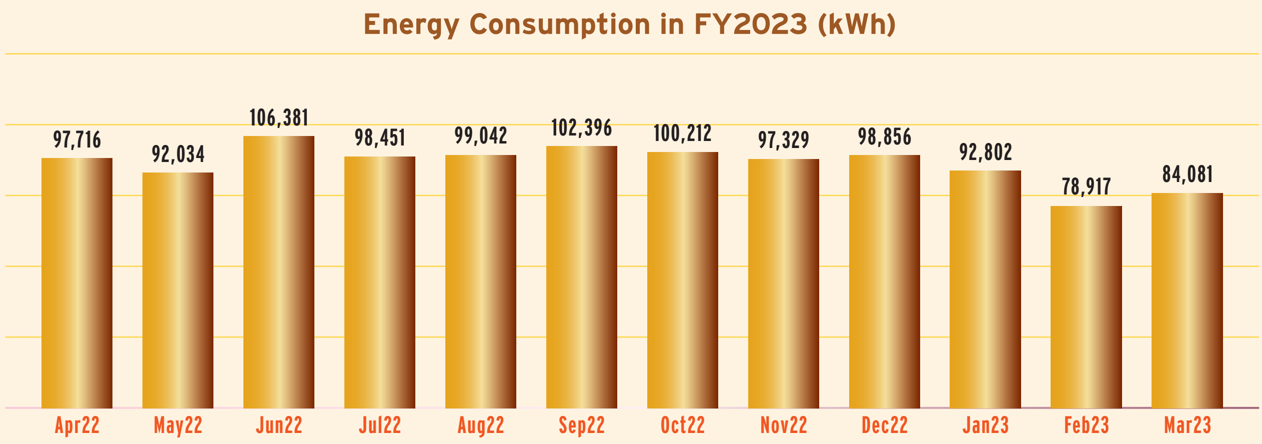


Figure 11: Total FY2023 Energy Consumption in kWh

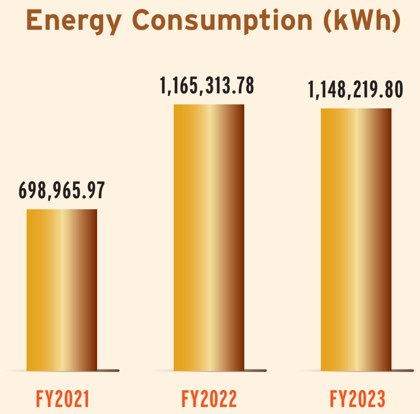


Figure 12: Year-on-Year Comparison of Energy Consumption in kWh

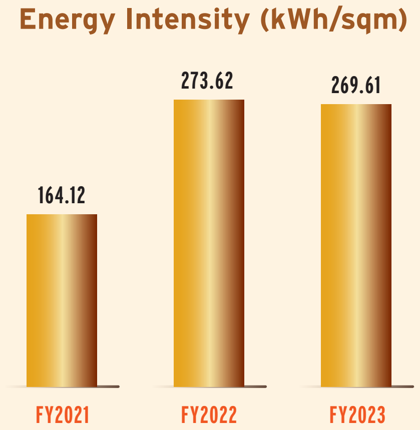


Figure 13: Year-on-Year Comparison of Energy Intensity in kWh/sqm

Sustainability Report

Emissions and Climate

Climate change is a pressing challenge that poses a threat not only to society but also to businesses. At Travelite, we recognise the need to consider both climate physical and transition risks, and their potential impact on our business operations. For instance, extreme weather events may disrupt our supply chain and cost delay in our product distribution activities. Moreover, transition risks, including policy and legal, technology, market and reputation risks, may also bring negative impact to the company. During the reporting year, we have started to evaluate the needs and scope of climate risk assessment. We will further prepare climate-related disclosure in the future, aiming to align with the recommended disclosures under Task Force on Climate-Related Financial Disclosures (TCFD) gradually.

As a part of our sustainability commitment, we have pledged to lower or maintain our greenhouse gas (GHG) emissions annually. We recognize that the majority of our carbon footprint originates from purchased electricity, which is essential for our office and warehouse operations. As such, we have implemented measures to optimize energy use and promote energy efficiency among our employees.

In FY2023, we continue to measure scope 1 and 2 GHG emissions for disclosure. Our total emissions (Scope 1 and Scope 2) for FY2023 is 536,591.84 kg CO_2e, with Scope 2 emissions increasing due to reopening of border since April 2022. Moving forward, we will continue to monitor our progress and identify areas for further reduction to ensure the effectiveness of our efforts.

	FY2022	FY2023
Scope 1		
Direct GHG emissions in metric tons of CO_2 equivalent	**72,391.33**	**70,759.07**
Direct GHG emission from diesel consumption (kg CO_2e)	40,110.20	46,323.66
Direct GHG emission from petrol consumption	32,281.13	24,435.41
Scope 2		
Gross location-based energy indirect GHG emissions (kg CO_2e)	**355,005.34**	**465,832.77**
The total Scope 1 and Scope 2 GHG emissions (kg CO_2e)	**427,396.67**	**536,591.84**

Figure 14: Greenhouse Gas Emissions within the Organisation in FY2023

Absolute Scope 2 Emissions (kg CO_2e)

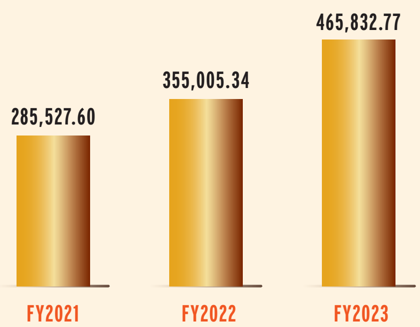


Figure 15: Year-on-Year Comparison of Absolute Scope 2 Emissions in kg CO_2e

Emissions Intensity (kg CO_2e/sqm)

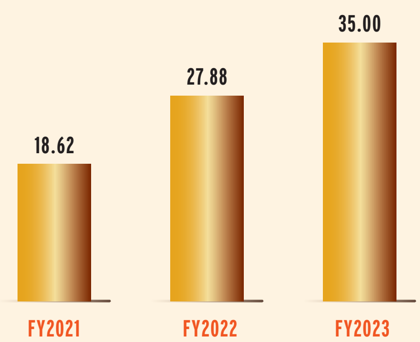


Figure 16: Year-on-Year Comparison of Emissions Intensity in kg CO_2e/sqm

Sustainability Report

OUR PEOPLE, OUR ASSETS – SOCIAL

Talent Retention

Travelite believes that people are our most valuable assets, and we strive to recognise their contributions and due diligence by providing them with opportunities for professional growth and career development.

We prioritise the health and welfare of our full-time employees by offering competitive salaries, bonuses, and comprehensive benefits packages, including insurance coverage and interest-free loans. Our support systems, which comprises grievance mechanisms aligned with our whistleblowing policy, provide a safe and confidential avenue for employees to raise concerns or report issues which they might encounter in the workplace.

We also comply with the Singapore government's pro-family policies and the Ministry of Manpower ("**MOM**") regulations on parental and childcare leave obligations, recognising the importance of family time.

We are dedicated to upholding and safeguarding our employees' freedom of association and collective bargaining rights and support their participation and involvement in trade unions. Some of our subsidiary's employees, Singapore Crocodile (1986) Pte Ltd, are members of the Singapore Industrial and Services Employees' Union and are under a collective agreement in Singapore.

At Travelite, we place great importance on the growth and development of our employees and strive to establish a strong relationship with them. To this end, we first evaluate our current talent pool to prioritise internal transfers or promotions over external recruitment in the event that we need to create or fill a job position.

We believe that this approach benefits both the company and our employees by fostering a sense of loyalty, engagement, and career advancement opportunities. By prioritizing internal promotions, we also ensure that our workforce has a deep understanding of our company's values, culture, and goals, contributing to the overall success and sustainability of our business.

Travelite reviews its turnover rate on an annual basis to investigate potential areas of improvement and to further understand the needs of our employees. Figures detailing our employment performance for FY2023 as compared to the previous year are illustrated below.

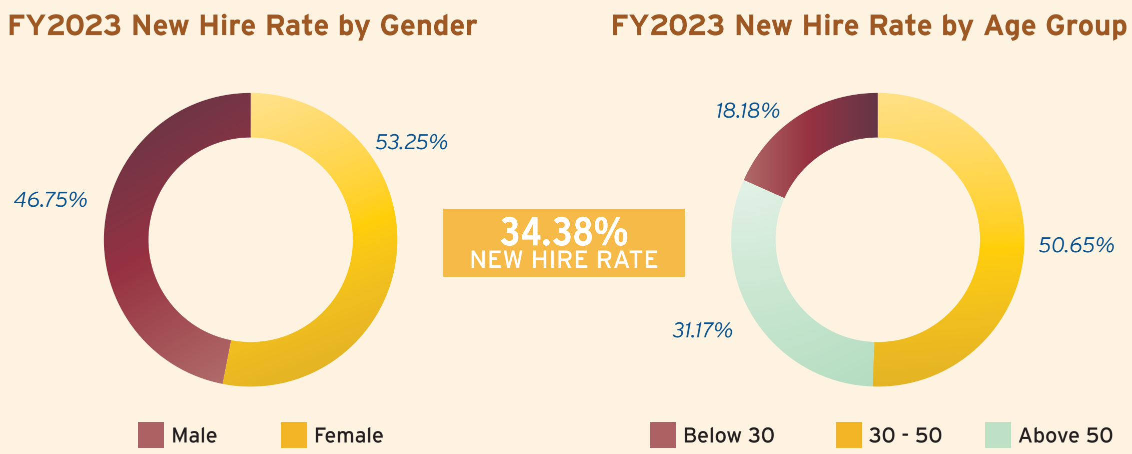


Figure 17: FY2023 New Hires Breakdown by Gender and Age

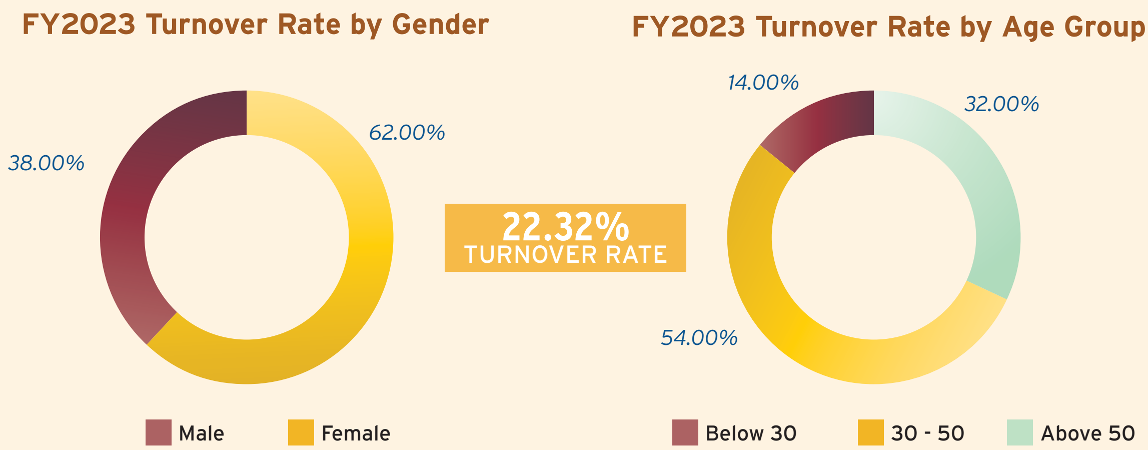


Figure 18: FY2023 Turnover Breakdown by Gender and Age

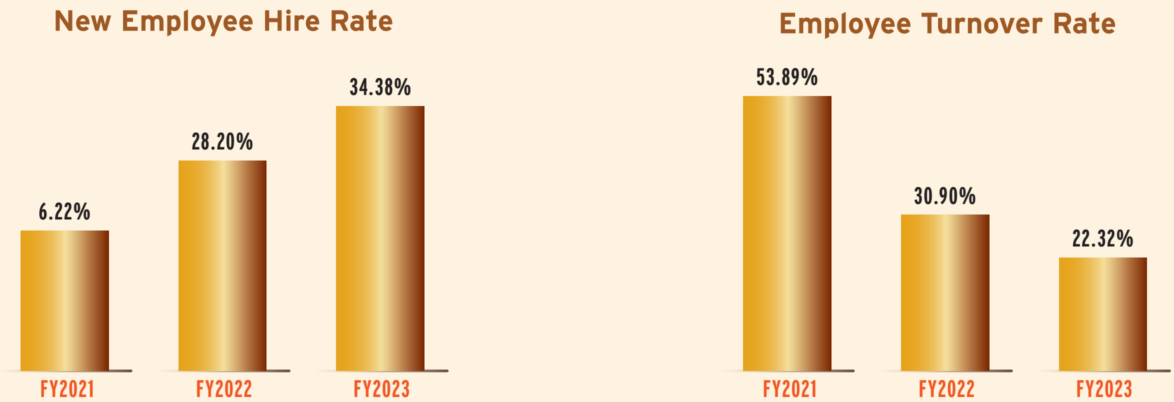


Figure 19: Year-on-Year Comparison of New Hire and Turnover Rates

Travelite is committed to preserving talents and listening to the opinions of our employees to serve them better. Their productivity and spiritual morale are vital in assuring the quality of service and retaining the company's business viability in the long run.

Non-Discrimination

Non-discrimination is a fundamental human right principle to ensure fairness and equality. Travelite prohibits any form of bias and prejudice based on personal characteristics such as race, gender, religion, age, sexual orientation, and disability. In the workplace, we believe that implementing relevant right policies and practices are crucial to creating an inclusive and diverse environment that fosters respect, dignity, and equity for all employees.

At Travelite, we uphold a zero-tolerance policy against discrimination and have established a formal investigation process outlined in our Code of Conduct to address any concerns raised by our employees. During the reporting year, there were no instances of discrimination reported in FY2023, and we remain committed to maintaining this record in FY2024 as part of our ongoing efforts to provide a professional and prejudice-free workplace.

Diversity And Equal Opportunity

Creating a workplace culture that embraces diversity and promotes equal opportunities is essential for any organization, which involves recognizing and appreciating differences in individuals' backgrounds, experiences, and perspectives.

Travelite's human resources policy strictly prohibits any form of discrimination based on gender, race, or age in the hiring process. Besides, we ensure that all our staff members have equal career growth, development, and promotion opportunities, regardless of personal backgrounds. Through embracing diversity and providing equal opportunities, we hope to boost the company's creativity, innovation, and productivity.

As of 31 March 2023, the Group has a total of 224 employees, with 79 male employees (35.27%) and 145 female employees (64.73%). In terms of age group distribution, 9.82% of our employees are under 30 years old, the remaining 41.97% and 48.21% are aged between 30 to 50 and over 50 years old respectively.

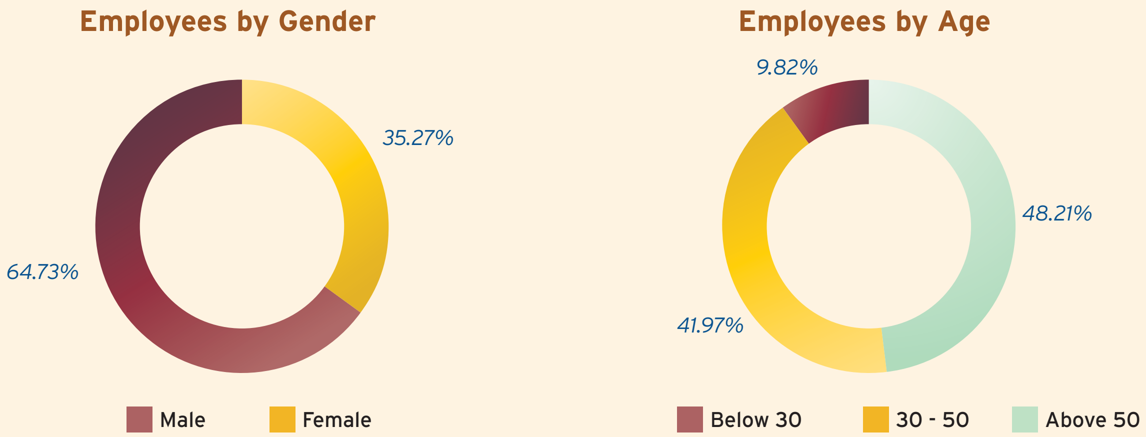


Figure 20: Employees Distribution by Gender and Age Group

The percentage of employees within the organisation's governance bodies is as follows:

Category - Gender	Managerial	Executive	Non-Executive	Total employees
Female	13	19	112	224
Male	17	8	55	
Total Number of each group	30	27	167	

Figure 21: Employees Distribution within the Organisation's Governance Bodies by Gender

Category - Age	Managerial	Executive	Non-Executive	Total employees
Under 30	0	5	19	224
30 - 50	15	14	60	
Over 50	15	8	88	
Total Number of each group	30	27	167	

Figure 22: Employees Distribution within the Organisation's Governance Bodies by Age

Training And Education

Training and education is critical to developing and maintaining a skilled and knowledgeable workforce. Regular training opportunities can enhance employee capabilities, increase job satisfaction and productivity, and ultimately drive business success. At Travelite, we are committed to investing in the professional development of our employees to ensure they have a competitive advantage by staying ahead of industry trends and innovations.

We provide annual one-on-one performance and career development reviews for all employees to not only provide performance evaluation but also to seek their feedback. Throughout the two-way communication channel and collaboration, we hope to align their interests and capabilities with our business needs and create room for employees to reach their career goals.

100% of our employees received regular performance and career development reviews

Figure 23: FY2023 Staff Appraisal Performance

We organise in-person, physical and virtual sessions to provide our employees with different ways and flexibility to participate in more training and stay up-to-date with the latest industry developments and innovations. Through our online training, our employees can access various courses and materials at their own pace.

As part of our commitment to investing in our employees' professional development, Travelite has expanded our training offerings for FY2023, to cover training content including digital marketing and communications. We aim to equip them with the tools and knowledge they need to succeed in their roles and help us maintain our competitive edge in the industry.

The following topics were covered through the employees' training sessions:

- Business economic outlook, budgeting
- Leadership and management skills
- Human resources management
- Data Protection Act
- Singapore Exchange ruling, corporate governance
- Fire safety and building management
- Retail strategy and industry developments

Besides, we provide other training to equip our people with diverse skillsets and boost employee development. The training includes:

- Perform Essential Online Functions (International Computer Driving Licence Certification Module: Online Essentials)
- Fundamentals Of the Personal Data Protection Act
- Fundamentals of Art and Design - Adobe Photoshop
- Fundamentals of Blockchain for Business Professionals
- Cybercrimes: How not to fall victim

Sustainability Report

During the reporting year, Travelite's Employees (Executives and Non-Executives) and Management received an average of 8.0 and 9.2 hours of training per employee, respectively, with a total of 70 training hours provided.

Training Hours by Staff Category (In Hour)	FY2022	FY2023[8]
Employee	749	46
Management	386	24
Total Training Hour	1,134	70

Figure 24: FY2023 Training Hours for Employees

Occupational Health And Safety

The health and safety of our employees and team members is of utmost importance to Travelite, and we are committed to creating an efficient, secure and healthy work environment for all our workers, and shielding them from risks and dangers. Our Occupational Health and Safety ("**OHS**") policies are reviewed regularly to identify areas for improvement.

Travelite adheres to the Workplace Safety and Health ("**WSH**") Act and has implemented the best available practices to ensure our workers' safety. We conduct regular inspections and maintenance on our facilities and machinery to minimise the risk of accidents or hazards. We expect all employees to comply with recommended safety guidelines and report any incidents of safety concerns or injuries that occur while on the job. Whenever an employee reports an issue or event, our Group Human Resource department will conduct a thorough investigation to determine the root cause of the problem and implement corrective actions to minimise or prevent the occurrence of future accidents.

Travelite implements various safeguards to remind employees of the significance of retaining and executing safe practices in their workspaces. These measures include conducting safety briefing sessions during town hall meetings and sending regular email reminders about occupational health and safety issues. Travelite strictly conforms to these internal procedures to avoid possible safety issues and to manage OHS effectively.

Travelite follows the Singapore Fire and Safety Regulations, and annual fire drills are conducted to ensure that employees are equipped with the necessary skills to respond promptly in the case of a fire outbreak, and appointment holders are given the opportunity to exercise their responsibilities. We take this annual practice seriously to inform and remind our employees of emergency mitigation procedures. Travelite also holds feedback meetings periodically to better understand our employees' concerns and expectations. This allows us to make improvements where necessary to our OHS policies and standards.

A full breakdown of our company's occupational health and safety performance during the reporting year is illustrated below. During the reporting year, there was zero incident of work-related injury. Travelite will continue to track our OHS performance in FY2024 to keep our spotless record.

Occupational Health and Safety Performance

Figure 25: FY2023 OHS Performance

8 The number of training hours have decreased compared to last reporting year due to the cancellation of online training programmes after COVID. We will enhance the importance of training by engaging more employees in training courses during FY2024.

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2-4	Restatements of information	Pg 27
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Sustainability Report

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Financial Contents

Report of Corporate Governance

The Board of Directors (the "**Board**" or the "**Directors**") of Travelite Holdings Ltd. (the "**Company**") is committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (the "**Group**") to ensure greater transparency and to protect the interests of the Company's shareholders.

The Company has, since its listing on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 16 May 2007, put in place various policies and practices that will safeguard the interests of shareholders and enhance shareholder value as part of its effort to maintain high standards of corporate governance. This report outlines the main corporate governance practices and procedures adopted by the Company in the financial year ended 31 March 2023 ("**FY2023**") with reference made to each of the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**"). Pursuant to Rule 710 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), the Board confirms that the Company has complied with the principles of the Code for FY2023 and in respect of any deviation from the provisions of the Code, appropriate disclosures and explanations are provided in this report in accordance with the requirements of the Listing Manual.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective board which is collectively responsible and works with management for the long-term success of the company.

Provision 1.1 **Directors are fiduciaries who act objectively in the best interests of the company and hold management accountable for performance. The board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.**

The Board is entrusted with the responsibility for the overall management of the business and corporate affairs of the Group and to protect and enhance long-term shareholder value. The Board works with the management of the Company (the "**Management**") to achieve this and the Management remains accountable to the Board.

Apart from its statutory responsibilities, the Board is responsible for:

- approving the Group's strategic plans, key operational initiatives, major investments and funding decisions;
- identifying principal risks of the Group's business and ensuring the implementation of appropriate systems to manage these risks;
- reviewing the financial performance of the Group;
- approving the release of the financial results to the shareholders;
- reviewing management performance;
- identifying key stakeholder groups and recognising that their perceptions affect the Company's reputation;
- setting the Company's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met; and
- considering sustainability issues as part of its strategic formulation.

Every Director, in the course of carrying out his duties, acts in good faith and considers at all times, the interests of the Group. When an actual, potential and perceived conflict of interest arises, the concerned Director must disclose such interest, recuse himself from discussions and decisions involving the matter and abstain from voting on resolutions regarding the matter.

Report of Corporate Governance

<u>Provision 1.2</u> **Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report.**

When a new Director is to be appointed to the Board, he will receive appropriate orientation to familiarise him with the business and organisation structure of the Group. To get a better understanding of the Group's business, the newly appointed Director will also be given the opportunity to visit the Group's operational facilities and meet with the Management. For newly appointed Directors who do not have prior experience as a director of a public listed company in Singapore, they will attend training courses organised by the Singapore Institute of Directors within one year from their appointment dates and other training institutions in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.

The Directors are provided with updates on changes in the relevant new rules and regulations to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities. The Directors may also attend appropriate courses, conferences and seminars at the Company's expense.

Courses, conferences and seminars attended by the Directors in FY2023 include:

Name of Director	Courses, Conferences and Seminars
Thang Teck Jong	(SID) Listed Entity Director - Environmental, Social & Governance Essentials (Core)
Foong Daw Ching	(SID) Listed Entity Director - Environmental, Social and Governance Essentials (Core)
Dr Clemen Chiang Wen Yuan	(SID) Listed Entity Director - Environmental, Social and Governance Essentials (Core) Owner/President Management at Harvard Business School

<u>Provision 1.3</u> **The board decides on matters that require its approval and clearly communicates this to management in writing. Matters requiring board approval are disclosed in the company's annual report.**

The Group has adopted internal guidelines for the Management, setting forth matters that require the Board's approval. Matters which are reserved for the Board's decision, include, *inter alia*:

- Corporate strategies and business plans;
- Investment and divestment proposals;
- Material acquisitions and disposals of assets;
- Funding decisions of the Group;
- Appointment or removal of Directors, key management personnel and Company Secretaries;
- Annual budgets, interim and full-year results announcements, annual reports and financial statements;
- Recommendation/declaration of dividends;
- Interested person transactions;
- Identification of key stakeholder groups; and
- All matters of strategic importance.

<u>Provision 1.4</u> **Board committees, including executive committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the board. The names of the committee members, the terms of reference, any delegation of the board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report.**

To assist in the execution of its responsibilities, the Board has established a number of Board committees including an Audit Committee ("**AC**"), a Nominating Committee ("**NC**") and a Remuneration Committee ("**RC**").

These committees are chaired by independent Directors and operate within clearly defined terms of reference and functional procedures. Each of the Board committees has its own terms of reference setting out the scope of its duties and responsibilities, the rules and regulations and procedures governing the manner in which it is to operate and how decisions are to be taken.

<u>Provision 1.5</u> **Directors attend and actively participate in board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.**

The Board holds at least two meetings a year at regular intervals, with additional meetings for particular matters convened as and when they are deemed necessary. Telephonic attendance at Board meetings is allowed under the Company's Constitution. The Board and Board committees may also make decisions by way of circulating resolutions in writing.

The number of Board meetings, Board committee meetings and general meetings held and attended by each member of the Board for FY2023 is as follows:

	Board	Board Committee			General Meeting
		AC	NC	RC	Annual
Number of meetings held	2	2	1	1	1
	Number of meetings attended				
Thang Teck Jong	2	2	1	1	1
Foong Daw Ching	2	2	1	1	1
Clemen Chiang Wen Yuan	2	2	1	1	1

When a Director has multiple board representations, the NC will consider if the Director is able to and has adequately carried out his duties as a Director, taking into consideration the Director's number of listed company board representations and other principal commitments. The Board has set the maximum number of six listed company board representations which any Director may hold at any one time so as to be able to devote sufficient time and attention to the affairs of the Company to adequately discharge his duties as Director of the Company.

<u>Provision 1.6</u> **Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.**

Directors are furnished regularly with information from the Management about the Group as well as the relevant background information relating to the business to be discussed at Board and Board committee meetings. Detailed board papers which contain sufficient information on the issues to be considered are prepared and circulated to the Directors in advance for each meeting to give the Directors sufficient time to review the matters.

Provision 1.7 **Directors have separate and independent access to management, the company secretary, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary is a decision of the board as a whole.**

The Directors are provided with the contact details of the Management and the Company Secretaries to facilitate separate and independent access.

Either one of the Company Secretaries attends Board and Board committee meetings. Together with the Management, the Company Secretaries are responsible for ensuring that appropriate procedures are followed and that the requirements of the Companies Act 1967 (the "Companies Act"), and the provisions in the Listing Manual are complied with. The appointment and the removal of the Company Secretaries are subject to the approval of the Board.

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

Board Composition and Guidance

Principle 2: The board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 **An "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.**

The Board currently comprises three members, two of whom are independent Directors, as follows:

Executive Director
Mr Thang Teck Jong (Executive Chairman)

Independent Directors
Mr Foong Daw Ching (Lead Independent Director)
Dr Clemen Chiang Wen Yuan

The independence of each independent Director is reviewed annually by the NC based on the guidelines set forth in the Code and the Listing Manual. The independent Directors have confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement in the best interests of the Company. The NC is of the view that Mr Foong Daw Ching and Dr Clemen Chiang Wen Yuan are independent.

Currently, Mr Foong Daw Ching has served on the Board for more than nine years from the date of his first appointment. He will continue to be deemed independent until the conclusion of the annual general meeting of the Company ("**AGM**") held for the financial year ending 31 March 2024.

Provision 2.2 **Independent directors make up a majority of the board where the chairman is not independent.**

Provision 2.3 **Non-executive directors make up a majority of the board.**

The Board currently comprises three members, two of whom are independent Directors, and the Chairman of the Board is not an independent Director. This composition complies with Provision 2.2 and Provision 2.3.

Provision 2.4 **The board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the company's annual report.**

The Board, through the NC, has examined its size and is of the view that it is of an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Group. There is adequate relevant competence on the part of the Directors, who, as a group, carry specialist backgrounds in accounting, finance, business management and strategic planning. Details of the Directors' academic and professional qualifications are set out in the "Board of Directors" section of this Annual Report. The Board is also of the view that no individual or small group of individuals dominates the Board's decision-making process.

The Company has in place a formal Board Diversity Policy. Under the Board Diversity Policy, the Board recognises the benefits of having a diverse Board to help bring in new ways of thinking, insights and different perspectives to the Board, which will result in productivity and quality of Board deliberations. As such, the NC will consider opportunities to increase the proportion of members from different areas of expertise, experience, ethnicities, gender and age groups over time, in identifying and nominating suitable candidates for appointment to the Board, to enable the Management to benefit from a diverse perspective in reviewing the issues that are brought before the Board and enable it to make decisions in the best interests of the Company.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of skills, expertise and experience to enable the management to benefit from a diverse perspective in reviewing the issues that are brought before the Board and make decisions in the best interests of the Company. Having considered the scope and nature of the operations of the Group, in concurrence with the NC, the Board is satisfied that the current composition and size of the Board provides for sufficient diversity without interfering with efficient decision-making. The Board members possess a range of core competencies and specialist backgrounds in accounting, finance, business management and strategic planning, which allows for diverse and objective perspectives on the Group's business and direction.

The NC will adhere to the Board diversity objectives for any search of new Directors and seek suitable candidates for Board appointments to achieve gender diversity as and when the opportunity arises. All Board appointments will always be made based on merit.

The NC will also review the Board Diversity Policy annually to assess its relevance and effectiveness. At any given time, the Board may also seek to improve one or more aspects of its diversity.

Provision 2.5 **Non-executive directors and/or independent directors, led by the independent chairman or other independent director as appropriate, meet regularly without the presence of management. The chairman of such meetings provides feedback to the board and/or chairman as appropriate.**

The independent Directors confer with the executive Chairman and the Management to develop strategies for the Group, review the performance of the Management, assess remuneration and discuss corporate governance matters. Where necessary, the independent Directors meet and discuss on the Group's affairs without the presence of the Management and provide feedback to the Board as appropriate.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the board and management, and no one individual has unfettered powers of decision-making.

Provision 3.1 **The chairman and the chief executive officer are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the board for independent decision making.**

Provision 3.2 **The board establishes and sets out in writing the division of responsibilities between the chairman and the chief executive officer.**

Mr Thang Teck Jong is the executive Chairman of the Company and is responsible for the formulation of the Group's strategic directions and expansion plans. Taking into account the size of the operations of the Group, the Company does not appoint a chief executive officer ("**CEO**") and the general managers of each of the subsidiaries are responsible for the overall day-to-day management of the respective subsidiaries.

With the assistance of the Company Secretaries, Mr Thang Teck Jong sets out the agenda for Board meetings and ensures that adequate time is available for discussion of all agenda items. He promotes high standards of corporate governance as well as an open environment for debate, and ensures that the independent Directors are able to speak freely and contribute effectively. He also ensures that the Board receives complete, adequate and timely information. In addition, Mr Thang Teck Jong plays a pivotal role in ensuring effective communication with shareholders at general meetings of the Company, and encouraging constructive relations within the Board and between the Board and the Management.

Provision 3.3 **The board has a lead independent director to provide leadership in situations where the chairman is conflicted, and especially when the chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the chairman or management are inappropriate or inadequate.**

Mr Foong Daw Ching is the Lead Independent Director of the Company. He is available to shareholders when they have concerns where contact through the normal channels of communication with the executive Chairman and/or Group Financial Controller are inappropriate or inadequate.

Board Membership

Principle 4: The board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the board.

Provision 4.1 **The board establishes a NC to make recommendations to the board on relevant matters relating to:**

(a) the review of succession plans for directors, in particular the appointment and/or replacement of the chairman, the CEO and key management personnel;

(b) the process and criteria for evaluation of the performance of the board, its board committees and directors;

(c) the review of training and professional development programmes for the board and its directors; and

(d) the appointment and re-appointment of directors (including alternate directors, if any).

The principal functions of the NC are as follows:

(a) to make recommendations to the Board on appointment and re-appointment of Directors;

(b) to determine annually whether or not a Director is independent within the meaning of the Code and the Listing Manual;

(c) in respect of a Director who has multiple board representations, to determine whether such Director is able to and has been adequately carrying out his duties as Director;

(d) to decide the process and criteria for evaluation of the performance of the Board, its Board committees and Directors;

(e) to review the succession plans for Directors;

(f) to regularly review the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary; and

(g) to review the training and professional development programmes for the Board.

Provision 4.2 **The NC comprises at least three directors, the majority of whom, including the NC chairman, are independent. The lead independent director, if any, is a member of the NC.**

The NC comprises three Directors, namely Dr Clemen Chiang Wen Yuan, Mr Foong Daw Ching and Mr Thang Teck Jong. The Chairman of the NC is Dr Clemen Chiang Wen Yuan. Dr Clemen Chiang Wen Yuan and Mr Foong Daw Ching are independent Directors while Mr Thang Teck Jong is the executive Chairman.

Provision 4.3 **The company discloses the process for the selection, appointment and re-appointment of directors to the board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the company's annual report.**

In the event that a vacancy on the Board arises, the NC may identify suitable candidates for appointment as new Directors through the social and business network of the Board. The NC will generally assess suitable candidates for appointment to the Board based on the requisite qualifications, expertise and experience. If the NC decides that the candidate is suitable, the NC then recommends its choice to the Board. Meetings with such candidates may be arranged to facilitate open discussion.

The Constitution of the Company provides that at least one-third of the Directors shall retire from office by rotation at each AGM, and all Directors shall retire from office at least once every three years. A retiring Director is eligible for re-election by the shareholders at the AGM. The Constitution of the Company also provides that any new Director appointed by the Board shall hold office only until the next AGM and is eligible for re-election by the shareholders at the AGM.

The NC assesses and recommends to the Board whether retiring Directors are suitable for re-election. The NC, in considering the re-appointment of a Director, evaluates such Director's contributions in terms of experience, business perspective and attendance at meetings of the Board and/or Board committees, as well as pro-activeness of participation in such meetings. Each member of the NC will abstain from recommending his own re-election. The NC has recommended the re-election of Mr Thang Teck Jong at the forthcoming AGM. The Board has accepted the NC's recommendation.

Provision 4.4 **The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the board. If the board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons in its annual report.**

The independence of each independent Director is reviewed annually by the NC based on the guidelines set forth in the Code and the Listing Manual. The independent Directors have confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement in the best interests of the Company.

<u>Provision 4.5</u> **The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The company discloses in its annual report the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and board's reasoned assessment of the ability of the director to diligently discharge his or her duties.**

Newly appointed Directors who do not have prior experience as a director of a public listed company in Singapore are required to attend training courses organised by the Singapore Institute of Directors within one year from their appointment dates and other training institutions in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.

All Directors declare their board representation as and when practicable. The NC has reviewed and is satisfied that all Directors have devoted sufficient time and attention to the affairs of the Company to adequately perform their duties as Directors of the Company. The information on each Directors' directorships in other listed companies and other principal commitments is set out below:

Name	Directorships in Other Listed Companies	Other Principal Commitments
Thang Teck Jong	Nil	Nil
Foong Daw Ching	- Luminor Financial Holdings Limited - Suntar Eco-City Limited	- Tung Ling Student Care Centre (President) - Tung Ling Community Services (President) - St Luke's Hospital Ltd (Director) - St Luke's Eldercare Ltd (Director)
Clemen Chiang Wen Yuan	Nil	- Aly Pte Ltd (CEO) - SMI Vantage Limited (Advisor)

Key information regarding the Directors and information on shareholdings in the Company held by each Director are set out in the "Board of Directors" and "Statement by Directors" sections of this Annual Report respectively.

The Board has set the maximum number of six listed company board representations which any Director may hold at any one time so as to be able to devote sufficient time and attention to the affairs of the Company to adequately discharge his duties as Director of the Company. All Directors have complied with this requirement.

Board Performance

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

<u>Provision 5.1</u> **The NC recommends for the board's approval the objective performance criteria and process for the evaluation of the effectiveness of the board as a whole, and of each board committee separately, as well as the contribution by the chairman and each individual director to the board.**

<u>Provision 5.2</u> **The company discloses in its annual report how the assessments of the board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.**

The NC decides how the Board's performance is to be evaluated and proposes objective performance criteria, subject to the Board's approval, which address how the Directors have enhanced long-term shareholder value. The Board has also implemented a process to be carried out by the NC for assessing the effectiveness of the Board as a whole and the Board committees, and for assessing the contribution from the Chairman of the Board and each individual Director to the effectiveness of the Board. Assessment checklists which include evaluation factors such as Board composition and structure, conduct of meetings, corporate strategy and planning, risk management and internal control, measuring and monitoring performance, training and recruitment, compensation, financial reporting and communicating with shareholders, are disseminated to each Director for completion and the assessment results are discussed at the NC meeting.

No external facilitator was engaged by the Company for assessing the effectiveness of the Board in FY2023.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 **The board establishes a remuneration committee to review and make recommendations to the board on:**

(a) **a framework of remuneration for the board and key management personnel; and**

(b) **the specific remuneration packages for each director as well as for the key management personnel.**

The principal functions of the RC are to review and recommend to the Board a framework of remuneration for the Directors and key management personnel, and the specific remuneration packages for each Director and key management personnel.

Each member of the RC will abstain from voting on any resolutions in respect of his own remuneration and the remuneration of employees related to him.

Provision 6.2 **The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC chairman, are independent.**

The RC comprises three Directors, namely Dr Clemen Chiang Wen Yuan, Mr Foong Daw Ching and Mr Thang Teck Jong. The Chairman of the RC is Dr Clemen Chiang Wen Yuan. Dr Clemen Chiang Wen Yuan and Mr Foong Daw Ching are independent Directors while Mr Thang Teck Jong is the executive Chairman.

The RC does not comprise wholly non-executive Directors as recommended by the Code, as the Board is of the view that with the executive Chairman's understanding of the Group's operations, he is in an appropriate position to advise and recommend to the Board on the remuneration packages for the key management personnel of the Group. However, independence is not compromised as the majority of the members of the RC are independent.

Provision 6.3 **The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.**

The RC considers all aspects of remuneration, including Directors' fees, salaries, bonuses, allowances, options and benefits in kind.

The RC also reviews the Company's obligations arising from termination clauses and termination processes in relation to the executive Chairman and key management personnel's contracts of service to ensure that such clauses and processes are fair and reasonable.

Provision 6.4 **The company discloses the engagement of any remuneration consultants and their independence in the company's annual report.**

The RC did not seek any external professional advice on remuneration of the Directors in FY2023.

Level and Mix of Remuneration

> **Principle 7:** The level and structure of remuneration of the board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

<u>Provision 7.1</u> **A significant and appropriate proportion of executive directors' and key management personnel'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.**

The Company has a remuneration policy for the executive Chairman and key management personnel which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and a variable bonus, respectively, and take into account the performance of the Group and the performance of the executive Chairman and individual key management personnel. In structuring the compensation framework, the Company also takes into account its risk policies, the need for the compensation to be symmetric with the risk outcomes and the time horizons of risks.

The Company had entered into a service agreement with Mr Thang Teck Jong, the executive Chairman. The service agreement is subject to automatic renewal upon expiry on such terms and conditions as the parties may agree, and provide for, *inter alia*, termination by either party upon giving the requisite notice period. Mr Thang Teck Jong is entitled to receive an annual performance bonus based on the audited profit before tax of the Group when it achieves S$2,500,000 for the financial year pursuant to his service agreement. As the aforementioned criteria has been fulfilled for FY2023, an annual performance bonus has been awarded to Mr Thang Teck Jong in respect of FY2023. Such performance bonus will be paid to Mr Thang Teck Jong during FY2024. The service agreement of Mr Thang Teck Jong provides that the Company will be entitled to recover from him the relevant portion of the bonus and any sum paid under his service agreement in the event that there is a restatement of the financial statements of the Company made to reflect the correction of a misstatement due to error or fraud (not change in accounting principle) during the financial year of the Company, or misconduct of Mr Thang Teck Jong resulting in financial loss to the Company.

<u>Provision 7.2</u> **The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.**

The independent Directors are paid fixed Directors' fees, which are determined by the Board, appropriate to the level of their contribution, taking into account factors such as the effort and time spent and the responsibilities of the independent Directors. The Directors' fees are subject to approval by shareholders at each AGM.

<u>Provision 7.3</u> **Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term.**

The Board ensures that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, and thereby maximise shareholder value.

Disclosure on Remuneration

> **Principle 8:** The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

<u>Provision 8.1</u> **The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:**

(a) each individual director and the CEO; and

(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.

Provision 8.3 **The company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.**

The Company has a remuneration policy for the executive Chairman and key management personnel which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and a variable bonus, respectively, and take into account the performance of the Group and the performance of the executive Chairman and individual key management personnel. In structuring the compensation framework, the Company also takes into account its risk policies, the need for the compensation to be symmetric with the risk outcomes and the time horizons of risks.

The breakdown of the total remuneration of the Directors for FY2023 is set out below:

Name	Fee[1]	Salary	Bonus	Benefits	Total Remuneration
	%	%	%	%	%
S$250,000 to S$500,000					
Thang Teck Jong	–	88	7	5	100
Below S$250,000					
Foong Daw Ching	100	–	–	–	100
Dr Clemen Chiang Wen Yuan	100	–	–	–	100

Note:

(1) These fees are subject to the approval of the shareholders at the forthcoming AGM.

The breakdown of the total remuneration of the key management personnel of the Group for FY2023 is set out below:

Name	Salary	Bonus	Benefits	Total Remuneration
	%	%	%	%
Below S$250,000				
Chew Chiew Hor	56	33	11	100
Toh Kian Hock	71	18	11	100
Yeo Guan Hong	87	8	5	100
Wong Pooi Kuan[1]	82	18	-	100
Chong Tien Chen[1]	96	4	-	100

Note:

(1) Ms Wong Pooi Kuan ceased to be the Group Financial Controller on 16 September 2022 and Mr Chong Tien Chen was appointed as the Group Financial Controller on 10 October 2022.

Given the general sensitivity and confidentiality of remuneration matters, the Company is not disclosing the remuneration of each Director and key management personnel of the Group. However, the Company adopts the disclosure of remuneration in bands of S$250,000 which would provide a good overview and is informative of the remuneration of each Director and key management personnel.

There were only four key management personnel in the Group. The aggregate total remuneration paid to the aforementioned key management personnel in FY2023 amounted to S$700,130.

There are no termination, retirement and post-employment benefits that may be granted to the Directors and key management personnel of the Group.

<u>Provision 8.2</u> **The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.**

There are no employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S$100,000 during FY2023.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The board is responsible for the governance of risk and ensures that management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

<u>Provision 9.1</u> **The board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The board sets up a board risk committee to specifically address this, if appropriate.**

The Company does not have a risk management committee. However, the Management regularly reviews and improves the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate such risks. The Management reviews significant control policies and procedures and highlights significant matters to the Board and the AC. The Board is responsible for governance of risk management, and determining the Group's levels of risk tolerance and risk policies.

The Board believes in the importance of maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's assets. The system of internal controls is supplemented by the review of the Group's internal auditor of the effectiveness of the Group's material internal controls, at least once annually. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the AC. No significant control issues were reported by the internal auditor for FY2023.

The external auditor of the Company, RSM Chio Lim LLP, has during the course of its audit, carried out an understanding of the key internal accounting controls assessed to be relevant to the statutory audit. No material non-compliance and internal control weaknesses were noted during its audit for FY2023.

<u>Provision 9.2</u> **The board requires and discloses in the company's annual report that it has received assurance from:**

(a) the CEO and the chief financial officer that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and

(b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

The Company does not have a CEO and chief financial officer. The Board has, however, received assurance from the executive Chairman and the Group Financial Controller that (a) the financial records have been properly maintained and the financial statements for FY2023 give a true and fair view of the Group's operations and finances; and (b) the Group has put in place and will continue to maintain a reasonably adequate and effective systems of risk management and internal controls.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by the Management, various Board committees and the Board, the Board, with the concurrence of the AC, is of the opinion that the risk management and internal control systems maintained by the Group, addressing the financial, operational, compliance and information technology risks of the Group are adequate and effective as at 31 March 2023. The Board and the AC note that all internal control systems contain inherent limitations and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Audit Committee

Principle 10: The board has an AC which discharges its duties objectively.

Provision 10.1 **The duties of the AC include:**

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;

(b) reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems;

(c) reviewing the assurance from the CEO and the chief financial officer on the financial records and financial statements;

(d) making recommendations to the board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;

(e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and

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

The principal functions of the AC are as follows:

(a) reviewing the announcement of the half-year and full-year results and the financial statements of the Group;

(b) reviewing the audit plans and reports of the external auditor and internal auditor and considering the effectiveness of the actions taken by the Management on the external auditor and internal auditor's recommendations;

(c) appraising and reporting to the Board on the audit undertaken by the external auditor, the adequacy of disclosure of information, and the appropriateness and quality of the system of internal controls;

(d) reviewing the assistance and co-operation given by the Management to the external auditor and internal auditor;

(e) discussing problems and concerns, if any, arising from the external audit;

(f) nominating the external auditor for re-appointment; and

(g) reviewing interested person transactions, as defined in the Listing Manual.

In addition, the AC is given the task to commission investigations into matters where there is suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation, which has or is likely to have a material impact on the Group's operating results or financial position, and to review the findings thereof. It has full access to, and the co-operation of the Management and full discretion to invite any key management personnel to attend its meetings. The AC has adequate resources, including access to external consultants and auditors, to enable it to discharge its responsibilities properly.

The Group has put in place a whistle-blowing policy, endorsed by the AC, in which employees of the Group may raise concerns about possible improprieties in matters of financial reporting, misconduct or wrongdoing relating to the Group and its officers or other matters. Details of the whistle-blowing policy, together with the dedicated whistle-blowing communication channels have been made available to all employees. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action, and provides assurance that the identity of the whistle-blower will be kept confidential and the whistle-blower will be protected from reprisal within the limits of the law for whistle-blowing in good faith. The whistle-blowing policy and procedures are reviewed by the AC from time to time to ensure that they remain relevant. There were no whistle-blowing reports received in FY2023.

The fees paid or payable to the auditors of the Group for audit and non-audit services during FY2023 are as follows:

	Audit Services	Non-audit Services
External auditor	S$168,000	S$23,000
Other auditor	S$3,000	S$19,000

The AC constantly bears in mind the need to maintain a balance between the independence and objectivity of the external auditor and the cost effectiveness of the audit. It has also undertaken a review of the fees payable to the external auditor for the non-audit services in FY2023. The non-audit services performed by the external auditor relate to tax compliance services and in the AC's opinion, would not affect the objectivity and independence of the external auditor. The AC is of the view that RSM Chio Lim LLP is suitable for re-appointment and it has accordingly recommended to the Board that RSM Chio Lim LLP be nominated for re-appointment as auditor of the Company at the forthcoming AGM.

The Group has complied with Rules 712 and 715 of the Listing Manual in appointing its audit firms.

Provision 10.2 **The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC chairman, are independent. At least two members, including the AC chairman, have recent and relevant accounting or related financial management expertise or experience.**

The AC comprises three Directors, namely Mr Foong Daw Ching, Dr Clemen Chiang Wen Yuan and Mr Thang Teck Jong. The Chairman of the AC is Mr Foong Daw Ching. Mr Foong Daw Ching and Dr Clemen Chiang Wen Yuan are independent Directors while Mr Thang Teck Jong is the executive Chairman.

The Board is of the view that the AC, chaired by Mr Foong Daw Ching, has sufficient financial management expertise and experience to discharge the AC's functions. Mr Foong Daw Ching has more than 30 years of audit experience and Mr Thang Teck Jong has more than 30 years of experience in strategic and business planning. The Board is confident that the corporate governance of the Company has not been and will not be compromised by the existing composition of the AC and that the independent Directors in the AC will continue to benefit from the experience and expertise of the executive Chairman in the AC in carrying out their respective duties effectively.

Provision 10.3 **The AC does not comprise former partners or directors of the company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.**

No former partner of the Company's existing auditing firm is a member of the AC.

<u>Provision 10.4</u> **The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.**

The AC, in consultation with the Management, approves the hiring, removal, evaluation and compensation of the internal auditor. The Group outsourced its internal audit function to Acumen Associates LLP, a professional firm in Singapore with six years of experience and specialises in audit, business advisory and consultation, tax planning and corporate secretarial services. The internal auditor reports directly to the AC and administratively to the executive Chairman, and has unrestricted access to the documents, records, properties and personnel of the Group. The objective of the internal audit function is to assess the adequacy and effectiveness of the Group's system of internal controls and compliance with the Group's policies and procedures.

Acumen Associates LLP reviewed key internal controls in selected areas of the material subsidiaries with the primary objective of identifying significant control issues for the AC and the Management's attention. Findings and internal auditor's recommendations on areas for improvement were reported to the AC and for the Management's implementation. No significant control issues were reported by the internal auditor for FY2023.

The AC reviewed the adequacy of the internal audit function annually and is satisfied that the internal audit function is independent, effective, adequately resourced and has appropriate standing within the Group to perform its duties effectively for FY2023.

<u>Provision 10.5</u> **The AC meets with the external auditors, and with the internal auditors, in each case without the presence of management, at least annually.**

The AC meets with the external auditor and internal auditor, without the presence of the Management, to review the adequacy of audit arrangements, with emphasis on the scope and quality of their audits, and the independence, objectivity and observations of the external auditor and the internal auditor.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

<u>Provision 11.1</u> **The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.**

All shareholders will receive the Company's annual report and notice of AGM or general meetings and are entitled to attend the general meetings of the Company. They are afforded the opportunity to participate effectively in such meetings and are entitled to vote in accordance with the established voting rules and procedures. The Company conducts poll voting for all resolutions tabled at the general meetings. The rules, including the voting procedures, are clearly explained by the scrutineers at such general meetings.

<u>Provision 11.2</u> **The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.**

The Company has separate resolutions at general meetings for each distinct issue. This is to ensure that shareholders are given the right to express their views and exercise their voting rights on each resolution separately. Where the resolutions are "bundled", the reasons and material implications for doing so will be provided in the annual report and related documents/notice of general meeting.

Report of Corporate Governance

<u>Provision 11.3</u> **All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report.**

All Directors are required to be present at general meetings of shareholders. The external auditor will also be present at the AGM to address shareholders' queries about the conduct of audit and the preparation and content of the auditor's report. Please refer to Provision 1.5 for details on the Directors' attendance at general meetings held during FY2023.

<u>Provision 11.4</u> **The company's constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.**

The Constitution of the Company allows a shareholder, if he is unable to attend any general meetings, to appoint not more than two proxies to attend and vote on his behalf at the meetings through proxy forms sent in advance. Corporate shareholders of the Company who provide nominee or custodial services are entitled to appoint more than two proxies to attend and vote on their behalf at general meetings provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such corporate shareholders. 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.

<u>Provision 11.5</u> **The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the board and management.**

All minutes of AGM or general meetings that include substantial and relevant comments or queries from the shareholders and responses from the Board and the Management will be published on the Company's website and/or the SGXNet.

<u>Provision 11.6</u> **The company has a dividend policy and communicates it to shareholders.**

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirement, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate. No dividend was paid or proposed for FY2023 as the Group is conserving cash for business growth and opportunities.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

<u>Provision 12.1</u> **The company provides avenues for communication between the board and all shareholders, and discloses in its annual report the steps taken to solicit and understand the views of shareholders.**

The Company is committed to maintaining and improving its level of corporate transparency of financial results and other pertinent information. In line with the continuous disclosure obligations of the Company pursuant to the Listing Manual and the Companies Act, it is the Board's policy to ensure that all shareholders are informed on a timely basis of every significant development that has an impact on the Group via the SGXNet.

The Company does not practise selective disclosure of material information. Results and annual reports are announced or issued within the mandatory period.

<u>Provision 12.2</u> **The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.**

<u>Provision 12.3</u> **The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.**

The Company does not have an investor relations policy in place and 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.

The Company conducts its investor relations on the following principles:

(a) Information deemed to be price-sensitive is disseminated without delay via announcements on the SGXNet;

(b) Endeavour to provide comprehensive information in financial results announcements to help shareholders and potential investors make informed decisions; and

(c) Operate an open policy with regard to investors' enquiries.

The Company provides its phone number and e-mail address on the Company's website through which shareholders may contact the Company with questions and the Company may respond to such questions.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1 **The company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.**

The Company recognises the importance of close collaboration with its key stakeholders such as employees, investors and media, suppliers and service providers, and customers, in order to achieve sustainable business goals. The Company has in place a process to identify its various stakeholders and understand their viewpoints as well as actively communicate with them to align the Company's expectation and goals. The executive Chairman and independent Directors meet and speak with shareholders at general meetings to gather their views and address concerns.

Provision 13.2 **The company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.**

The Group engages with the key stakeholders through various platforms. Details of the stakeholders engaged by the Group, areas of focus, approaches to stakeholder, including frequency of engagement by type and by stakeholder group, and key feedback or issues that have been raised though stakeholder engagement can be found in the Company's Sustainability Report 2023.

Provision 13.3 **The company maintains a current corporate website to communicate and engage with stakeholders.**

The Company maintains its corporate website (http://www.etravelite.com/) providing information about the Company such as the Board and the Management, products and services, as well as all disclosures and announcements of the Company submitted via the SGXNet. Stakeholders can also contact the Company through phone or email, the details of which can be found on the Company's website.

ADDITIONAL INFORMATION

Dealing in Securities

The Company has adopted policies in line with the requirements of the Listing Manual on dealings in the Company's securities.

The Company and its Directors and officers are prohibited from dealing in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. They are not allowed to deal in the Company's shares during the period commencing one month before the date of the announcement of the full-year or half-year results and ending on the date of the announcement of the relevant results.

In addition, Directors and key executives are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Interested Person Transaction

The Company has adopted an internal policy in respect of any transaction with an interested person, which sets out the procedures for review and approval of such transaction.

All interested person transactions will be documented and submitted periodically to the AC for their review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the interests of the Company and its non-controlling shareholders.

The Company did not enter into interested person transactions which are required for disclosure pursuant to Rule 1207(17) of the Listing Manual during FY2023.

Material Contracts and Loans

Pursuant to Rule 1207(8) of the Listing Manual, the Company confirms that except as disclosed in the "Statement by Directors" section of this Annual Report and the audited financial statements of the Group for FY2023, there were no material contracts and loans of the Company and its subsidiaries involving the interests of the executive Chairman or any Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

Information on Director Seeking Re-election

Mr Thang Teck Jong is the Director seeking re-election at the forthcoming AGM. Pursuant to Rule 720(6) of the Listing Manual, the information relating to Mr Thang Teck Jong in accordance with Appendix 7.4.1 of the Listing Manual is set out below:

	Thang Teck Jong
Date of appointment	12 August 2005
Date of last re-appointment	30 July 2021
Age	62
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board, having considered the recommendation of the NC and assessed Mr Thang overall contributions and performance, is of the view that he is suitable for re-appointment as Executive Chairman of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman, and member of AC, NC and RC
Professional qualifications	Master's Degree of Business Administration (EMBA), University of Hull, England
Working experience and occupation(s) during the past 10 years	As set out in Mr Thang's profile write-up at page 8 of this Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest: 17,360,385 ordinary shares Deemed Interest: 10,777,800 ordinary shares

Report of Corporate Governance

	Thang Teck Jong
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 Thang is a controlling shareholder of the Company. Ms Kong Ling Ting @ Kang Ling Ting, the Human Resource and Administration Director of the Group, and a substantial shareholder of the Company, is the spouse of Mr Thang. She is also a director of Demarco Pte Ltd, SYI Co (Pte) Ltd and JIT Distribution Pte. Ltd. which are wholly-owned subsidiaries of the Company.
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other principal commitments including directorships	<u>Past (for the last 5 years)</u> Directorships: Nil Other Principal Commitments: Nil <u>Present</u> Directorships: ● Singapore Crocodile (1968) Pte Ltd ● YG Marketing Pte. Ltd. ● 3BX Pte Ltd ● Golden Glory Food Industries Pte Ltd ● HK71 Investment Pte Ltd ● Mengkim Holdings Pte Ltd ● Mengkim Marketing Holding Sdn Bhd ● On The Dot Transport Sdn Bhd Other Principal Commitments: Nil
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 filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No

	Thang Teck Jong
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	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
(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
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(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
(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
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No

	Thang Teck Jong
(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
(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
(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
(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
(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?	In September 2009, Mr Thang received a supervisory warning from the Monetary Authority of Singapore ("**MAS**") for a breach of Section 137 of the Securities and Futures Act 2001 in connection with his failure to make timely disclosure of a change in his interest in the voting shares of the Company within two business days of such change. MAS issued the supervisory warning to Mr Thang to comply with the applicable laws and regulatory requirements at all times, and there was no further regulatory action in this regard.

Statement by Directors

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 31 March 2023.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and

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

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

2. Directors

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

Thang Teck Jong
Foong Daw Ching
Dr Clemen Chiang Wen Yuan

3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interests in shares or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act 1967 (the "Act"), except as follows:

	Direct interest		Deemed interest	
Name of directors and companies in which interest are held	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
Travelite Holdings Ltd.	Number of shares of no par value			
Thang Teck Jong	17,360,385	17,360,385	10,777,800	10,777,800

By virtue of section 7 of the Act, Mr Thang Teck Jong is deemed to have an interest in the company and all the related corporates of the company.

The directors' interests as at 21 April 2023 were the same as those at the end of the reporting year.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

5. Options

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted and there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares of the company or other body corporate in the group under option.

6. Report of Audit Committee

The members of the Audit Committee at the date of this report are as follows:

Foong Daw Ching	(Chairman of Audit Committee and Lead Independent Director)
Dr Clemen Chiang Wen Yuan	(Independent Director)
Thang Teck Jong	(Executive Chairman)

The Audit Committee performs the functions specified by section 201B(5) of the Act. Among other functions, it performed the following:

- Reviewed with the independent external and internal auditor their respective audit plan;
- Reviewed with the independent external auditor its evaluation of the company's internal accounting controls relevant to its statutory audit, and its report on the financial statements and the assistance given by the management to them;
- Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor;
- Reviewed the financial statements of the group and the company prior to their submission to the directors of the company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the Audit Committee are described in the report of corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor's objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The Audit Committee has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as independent auditor at the next annual general meeting of the company.

7. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the Audit Committee and the board are of the opinion that the company's internal controls, addressing financial, operational and compliance risks, are adequate as at the end of the reporting year 31 March 2023, to address the risks relating to financial, operational, compliance and information technology controls.

Statement by Directors

9. Subsequent developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 30 May 2023, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

Thang Teck Jong Director	Foong Daw Ching Director

7 July 2023

Independent Auditor's Report

To The Members of Travelite Holdings Ltd.

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Travelite Holdings Ltd (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 March 2023, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including significant accounting policies.

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 the Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 31 March 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting 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 company 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 judgment, were of most significance in our audit of the financial statements of the current reporting year. 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.

a) **Assessing expected credit loss allowance on trade receivables**

Refer to Note 2A "Financial instruments" and Note 2C "Assessing expected credit loss allowance on trade receivables" to the financial statements for the relevant accounting policies and disclosure of significant accounting estimates, and Notes 19 and 32D for the breakdown of trade receivables and credit risk of the group respectively.

The carrying amount of trade receivables amounted to $5,316,000 (2022: $6,185,000) which accounted for approximately 8% (2022: 10%) of the group's total assets as at the reporting year end. The amount is after the estimated credit loss allowance of $5,408,000 (2022: $4,854,000).

The allowance for impairment of trade receivables is estimated by management through the application of judgement and subjective assumptions. The estimate of impairment loss allowance is based on the historical trend of these receivables, which includes analysis of the age of these receivables, creditworthiness of the profile of the customers and future collectability. Management monitors the operation performance and cash flow of a major customer by having regular discussion with customer's management. The group holds collateral of the major customer's properties. The customer signed a letter of undertaking to create a floating charge by the group over certain assets of the customer. The customer has also signed a deed of fiduciary security to assign the group the rights to certain assets owned by the customer. In addition, the customer has also pledged its shares in the customer's company to the group. The group has registered the deed of fiduciary security with the relevant Fiduciary Security Office in Indonesia.

Key audit matters (cont'd)

a) **Assessing expected credit loss allowance on trade receivables (cont'd)**

The gross amount of trade receivables past due over 90 days amounted to $6,139,000 (2022: $7,374,000). The amount of allowance for impairment loss on these customers is $5,408,000 (2022: $4,854,000). Management is of the view that the remaining amounts are recoverable based on their knowledge of the customers' payment history and creditworthiness.

Management has analysed the historical observed default rates and there were no significant bad debts noted in the previous years. As such, management is of the view that it is appropriate for specific provisioning method to be utilised.

How we addressed the matter in our audit

We evaluated management's judgment on the recoverability of these amounts via our review of the customers' creditworthiness, payment history and management's assessment of expected credit losses. We have also reviewed management's control processes over the recoverability of outstanding trade receivables, including collaterals provided by the customer, payments made by customers during the year and subsequent to the reporting year end. We also sighted the Certificate of Fiduciary Security issued by a customer (with net balance owing to the group of $2,169,000) in favour of a subsidiary of the group.

We reviewed management's assessment of the historical observed default rates based on the different profile of the customers. In addition, we have also assessed the adequacy of the loss allowance recorded as at end of the reporting year and the disclosures made in the financial statements.

b) **Allowance on inventories**

Refer to Note 2A "Inventories" and Note 2C "Allowance on inventories" to the financial statements for the relevant accounting policies and disclosure of significant accounting estimates and Note 18 on the inventories respectively.

Inventories amounted to $12,500,000 (2022: $9,923,000), representing 18% (2022: 17%) of the group's total assets, as at the reporting year end.

The estimate of the allowance for slow moving inventories involves a significant degree of judgement. Management determines the loss allowance on inventories and net realisable value by taking into consideration various factors, including macroeconomics, general market conditions, future market demands, physical deterioration and travel restrictions. We focused on this area because the determination of the loss allowance on inventories involves a high level of judgement and is subject to uncertainty due to the challenging market conditions amid the current economic conditions.

How we addressed the matter in our audit

We reviewed the group's policy on loss allowance for slow moving inventories and performed procedures to understand management's methodology and processes for assessing the allowance for slow moving inventories.

We evaluated the appropriateness of the loss allowance via our review of the historical inventories' movements and historical net realisable value of the inventories.

We evaluated the accuracy of the group's inventory ageing by verifying on a sample basis that inventory items were categorised appropriately in the relevant ageing band based on the purchase date of the inventories.

We also compared the net realisable value of a sample of inventories to subsequent selling prices and assessed the adequacy of disclosures made in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the statement by directors and 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 financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 judgment and maintain professional scepticism throughout the audit. We also:

a) 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.

b) 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.

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

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

d) 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.

e) 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.

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

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

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

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 Pang Hui Ting.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

7 July 2023
Engagement partner - effective from year ended 31 March 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 March 2023

	Notes	Group 2023 $'000	2022 $'000
Revenue	5	**46,392**	25,031
Cost of sales		**(23,847)**	(13,621)
Gross profit		**22,545**	11,410
Interest income		**50**	2
Other gains	6	**2,560**	2,903
Marketing and distribution costs	7	**(14,189)**	(8,712)
Administrative expenses	8	**(5,420)**	(3,945)
Finance costs	9	**(1,105)**	(824)
Other losses	6	**(893)**	(557)
Share of loss from equity-accounted associate		**(11)**	(15)
Profit before tax		**3,537**	262
Income tax expense	11	**(109)**	(441)
Profit/(Loss) and total comprehensive income/(loss), net of tax		**3,428**	(179)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax	23A	**116**	8
Other comprehensive income for the year, net of tax		**116**	8
Total comprehensive income/(loss)		**3,544**	(171)
Profit/(Loss) attributable to owners of the parent, net of tax		**3,093**	(409)
Profit attributable to non-controlling interests, net of tax		**335**	230
Profit/(Loss) net of tax		**3,428**	(179)
Total comprehensive income/(loss) attributable to owners of the parent		**3,209**	(401)
Total comprehensive income attributable to non-controlling interests		**335**	230
Total comprehensive income/(loss)		**3,544**	(171)
Earnings/(Loss) per share		**Cents**	Cents
Basic	12	**4.90**	(0.65)
Diluted	12	**4.90**	(0.65)

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

Statements of Financial Position

As at 31 March 2023

		Group		Company	
	Notes	2023	2022	2023	2022
ASSETS		$'000	$'000	$'000	$'000
<u>Non-current assets</u>					
Property, plant and equipment	13	**18,199**	18,410	**17,088**	17,746
Right -of- use assets	14	**9,557**	9,150	**7,084**	7,899
Intangible assets	15	**104**	138	**-**	-
Investment in subsidiaries	16	**-**	-	**15,734**	15,734
Investment in associates	17	**187**	198	**-**	-
Deferred tax assets	11	**55**	32	**-**	-
Other receivables	19	**-**	1	**-**	-
Total non-current assets		**28,102**	27,929	**39,906**	41,379
<u>Current assets</u>					
Inventories	18	**12,500**	9,923	**-**	-
Trade and other receivables	19	**6,450**	7,796	**3,514**	1,624
Other non-financial assets	20	**566**	341	**34**	37
Cash and cash equivalents	21	**20,388**	13,289	**854**	501
Total current assets		**39,904**	31,349	**4,402**	2,162
Total assets		**68,006**	59,278	**44,308**	43,541
EQUITY AND LIABILITIES					
<u>Equity attributable to owners of the parent</u>					
Share capital	22	**21,831**	21,831	**21,831**	21,831
Treasury shares	22	**(2)**	(2)	**(2)**	(2)
Accumulated losses		**(2,584)**	(5,677)	**(7,851)**	(7,934)
Other reserves	23	**327**	211	**-**	-
Equity, attributable to owners of the parent, total		**19,572**	16,363	**13,978**	13,895
Non-controlling interests		**4,520**	4,185	**-**	-
Total equity		**24,092**	20,548	**13,978**	13,895
<u>Non-current liabilities</u>					
Deferred tax liabilities	11	**95**	101	**26**	26
Provisions	24	**128**	143	**-**	-
Lease liabilities	26	**8,670**	8,692	**7,344**	8,093
Other financial liabilities	27	**13,028**	16,120	**8,174**	8,532
Total non-current liabilities		**21,921**	25,056	**15,544**	16,651
<u>Current liabilities</u>					
Income tax payable		**431**	532	**-**	55
Trade and other payables	25	**7,396**	3,444	**9,237**	7,221
Lease liabilities	26	**1,435**	873	**175**	165
Other financial liabilities	27	**12,731**	8,814	**5,374**	5,543
Derivative financial instruments	28	**-**	11	**-**	11
Total current liabilities		**21,993**	13,674	**14,786**	12,995
Total liabilities		**43,914**	38,730	**30,330**	29,646
Total equity and liabilities		**68,006**	59,278	**44,308**	43,541

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

Statements of Changes in Equity

Year ended 31 March 2023

Group	Total equity $'000	Attributable to parent sub-total $'000	Share capital $'000	Accumulated losses $'000	Treasury shares $'000	Other reserves $'000	Non-controlling interests $'000
Current year:							
Opening balance at 1 April 2022	**20,548**	**16,363**	**21,831**	**(5,677)**	**(2)**	**211**	**4,185**
Changes in equity:							
Total comprehensive income for the year	**3,544**	**3,209**	**–**	**3,093**	**–**	**116**	**335**
Closing balance at 31 March 2023	**24,092**	**19,572**	**21,831**	**(2,584)**	**(2)**	**327**	**4,520**
Previous year:							
Opening balance at 1 April 2021	20,719	16,764	21,831	(5,268)	(2)	203	3,955
Changes in equity:							
Total comprehensive (loss)/ income for the year	(171)	(401)	–	(409)	–	8	230
Closing balance at 31 March 2022	20,548	16,363	21,831	(5,677)	(2)	211	4,185

Company	Total equity $'000	Share capital $'000	Accumulated losses $'000	Treasury shares $'000
Current year:				
Opening balance at 1 April 2022	**13,895**	**21,831**	**(7,934)**	**(2)**
Changes in equity:				
Total comprehensive income for the year	**83**	**–**	**83**	**–**
Closing balance at 31 March 2023	**13,978**	**21,831**	**(7,851)**	**(2)**
Previous year:				
Opening balance at 1 April 2021	14,198	21,831	(7,631)	(2)
Changes in equity:				
Total comprehensive loss for the year	(303)	–	(303)	–
Closing balance at 31 March 2022	13,895	21,831	(7,934)	(2)

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

Consolidated Statement of Cash Flows

Year ended 31 March 2023

	Group	
	2023	2022
	$'000	$'000
<u>Cash flows from operating activities</u>		
Profit before tax	3,537	262
Adjustments for:		
Interest income	(50)	(2)
Interest expense	1,105	824
Depreciation of property, plant and equipment	1,066	1,126
Depreciation of right-of-use assets	1,470	1,388
Fair value gain on derivative financial instruments	(11)	(144)
Amortisation of other intangible assets	34	35
Plant and equipment written off	-	13
Inventories written off	20	233
Reversal for impairment of inventories	(1,856)	(771)
Allowance /(Reversal) of impairment for trade and other receivables	634	(40)
Share of the loss of equity-accounted associate	11	15
Net effect of exchange rate changes in consolidating foreign operations	133	-
Operating cash flows before changes in working capital	6,093	2,939
Inventories	(741)	2,713
Trade and other receivables	713	(472)
Other non-financial assets	(225)	(96)
Trade and other payables	3,952	233
Deferred grant income	-	(599)
Provision for reinstatement cost - used	(15)	-
Net cash flows from operations before tax	9,777	4,718
Income tax paid	(239)	(159)
Net cash flows from operating activities	9,538	4,559
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment (Note 13)	(858)	(40)
Interest received	50	2
Net cash flows used in investing activities	(808)	(38)
<u>Cash flows from financing activities</u>		
Lease liabilities – principal portion paid	(1,337)	(1,315)
Lease liabilities – interest paid	(329)	(310)
Increase in new borrowings	3,737	2,500
Decrease in other financial liabilities	(2,912)	(1,371)
Interest paid	(776)	(514)
Net cash flows used in financing activities	(1,617)	(1,010)
Net increase in cash and cash equivalents	7,113	3,511
Cash and cash equivalents, consolidated statement of cash flows, beginning balance	13,289	9,768
Net effect of exchange rate changes on cash and cash equivalents	(14)	10
Cash and cash equivalents, consolidated statement of cash flows, ending balance (Note 21)	20,388	13,289

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

1. General

Travelite Holdings Ltd (the "company") is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the company (the "parent") and its subsidiaries (the "group"). All financial information in these financial statements are rounded to the nearest thousand ("$'000"), unless otherwise indicated.

The board of directors approved and authorised these financial statements for issue on the date of the statements by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the company are those of an investment holding company and the provision of management services. It is listed on the Singapore Exchange Securities Trading Limited.

The principal activities of the subsidiaries and associates are disclosed in Notes 16 and 17 to the financial statements.

The registered office and principal place of business of the company is located at 53 Ubi Avenue 3 Travelite Building, Singapore 408863.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS (I) s") and the related Interpretations to SFRS (I) ("SFRS (I) INT") as issued by the Accounting Standards Committee under ACRA. They are in compliance with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB).

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the group's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at Note 2C, where applicable.

Basis of presentation and principle of consolidation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee.

1. General (cont'd)

Basis of presentation and principle of consolidation (cont'd)

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary, it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

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

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods – Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Royalties income – Royalties income is recognised at the later of: when the subsequent sales or usage occurs; or the satisfaction or partial satisfaction of the performance obligation to which some or all of the sales-based or usage-based royalty has been allocated. No amount is recognised for any revenue for the variable amounts related to a royalty until the uncertainty is resolved, that is when a customer's subsequent sales or usage occurs.

Rental income – Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

Other revenue – Revenue from services charged is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs. For services that are not material transactions revenue is recognised as the services are provided.

Other income

Interest income is recognised using the effective interest method.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised. The grant related to assets is deducted in calculating the carrying amount of the asset and therefore the grant is recognised in profit or loss over the life of a depreciable asset as a reduced depreciation expense.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing and are recognised as an expense in the period in which they are incurred. Interest expense is calculated using the effective interest rate method.

Income tax

The income taxes are accounted for using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised.

A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries and associate except where the company is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Translation of financial statements of other entities

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold property	–	Over the terms of lease at 2.5%
Equipment and leasehold improvements	–	20% to 33%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 24 on non-current provisions.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Right–of–use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rates of depreciation are as follows:

Leasehold land and building	–	Over the terms of lease that is 2.6%
Retail outlets	–	Over the remaining terms of lease

Leases of lessee

A lease is a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised lease is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs.

The right-to-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term and an interest expense on the recognised lease liability (included in finance costs). Short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard whereby the lease payments are expensed to profit or loss as incurred on a straight-line basis over the remaining lease term.

Leases of lessor

As a lessor the reporting entity classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Lease receipts from operating leases are recognised as income on either a straight-line basis or another systematic basis over the term of the lease.

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful lives are as follows:

Licensed brands	–	1 - 10 years
Trademarks	–	14 years

Identifiable intangible assets acquired as part of a business combination are initially recognised separately from goodwill if the asset's fair value can be measured reliably, irrespective of whether the asset had been recognised by the acquiree before the business combination. An intangible asset is considered identifiable only if it is separable or if it arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity 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. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary 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. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the reporting entity as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

There were no business combinations during the reporting year.

Associates

An associate is an entity including an unincorporated entity in which the reporting entity has a significant influence and that is neither a subsidiary nor a joint arrangement of the reporting entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. An investment in an associate includes goodwill on acquisition, which is accounted for in accordance with the financial reporting standard on business combinations. However, the entire carrying amount of the investment is tested under the financial reporting standard on impairment, by comparing its recoverable amount (higher of value in use and fair value) with its carrying amount, whenever application of the requirements in the financial reporting standard on financial instruments indicates that the investment may be impaired.

In the consolidated financial statements, the accounting for investments in an associate is on the equity method. Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of the investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Associates (cont'd)

The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Losses of an associate in excess of the reporting entity's interest in the relevant associate are not recognised except to the extent that the reporting entity has an obligation. Profits and losses resulting from transactions between the reporting entity and an associate are recognised in the financial statements only to the extent of unrelated reporting entity's interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are changed where necessary to ensure consistency with the policies adopted by the reporting entity. The reporting entity discontinues the use of the equity method from the date that when its investment ceases to be an associate and accounts for the investment in accordance with the financial reporting standard on financial instruments from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate is measured at fair value at the date that it ceases to be an associate.

An investment in an associate is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for an associate 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. The carrying value and the net book value of an investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange.

Inventories

Inventories are measured at the lower of cost (weighted average method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Carrying amounts of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

Financial asset are classified into (1) Financial assets classified as measured at amortised cost; (2) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI); (3) Financial asset that is an equity investment classified as measured at fair value through other comprehensive income (FVTOCI); and (4) Financial asset classified as measured at fair value through profit or loss (FVTPL). At the end of the reporting year, the reporting entity had the following financial assets:

Financial assets classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the consolidated statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Segment reporting

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

Treasury shares

Where the entity reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the entity's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the entity's owners and no gain or loss is recognised in profit or loss.

2. Significant accounting policies and other explanatory information (cont'd)

2C. Critical judgments, assumptions and estimation uncertainties

The critical judgments made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are disclosed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessing expected credit loss allowance on trade receivables:

The allowance for expected credit losses (ECL) assessment requires a degree of estimation and judgement. It is based on the lifetime ECL for trade receivables. In measuring the expected credit losses, management considers all reasonable and supportable information such as the group's historical trend of these receivables which includes analysis of the age of these receivables, forward-looking information such as forecasts of future economic conditions, creditworthiness of the profile of the customers and future collectability. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the note on trade and other receivables.

Allowance on inventories:

The allowance for impairment of inventories assessment requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into consideration various factors, including macroeconomics, general market conditions, future market demands and physical determination. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in the note on inventories.

Useful lives of plant and equipment:

The estimates for the useful lives and related depreciation charges for plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amounts of the specific asset (or class of assets) at the end of the reporting year affected by the assumption are $1,448,000 and $337,000 for the group and company respectively.

Assessing the terms of lease term or lease with extension or renewal options:

The lease liabilities are initially measured by discounting the lease payments over the lease terms. For leases with extension or renewal options, management applied judgement in determining whether such extension or renewal options should be reflected in measuring the lease liabilities. This requires the consideration of whether the facts and circumstances created an economic incentive for the exercise of the lease extension or renewal option. The amount of the lease liabilities at the end of the reporting year is disclosed in the note on lease liabilities.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The ultimate controlling party is Thang Teck Jong.

3. Related party relationships and transactions (cont'd)

3A. Related party transactions:

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Significant related party transactions:

	Other related parties	
Group	2023	2022
	$'000	$'000
Administrative income [a]	(66)	(66)
Royalty expense [b]	262	172

[a] The related party, Jong Fresh Supplies Pte Ltd, and the company have a common shareholder who has significant influence.

[b] The related party, Crocodile International Pte Ltd, is controlled by a shareholder of a subsidiary who has significant influence.

	Associate	
Group	2023	2022
	$'000	$'000
Rental income	-	(106)

3B. Key management compensation:

	Group	
	2023	2022
	$'000	$'000
Salaries and other short-term employee benefits	1,499	769

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2023	2022
	$'000	$'000
Remuneration of directors of the company	568	239
Fees to directors of the company	65	65

3. Related party relationships and transactions (cont'd)

3B. Key management compensation: (cont'd)

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Key management persons are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly.

The above amounts for key management compensation are for all the directors and other key management personnel. The amounts also include fees paid to directors for services rendered in their capacity as directors.

3C. Other receivables from and other payables to related parties:

The trade transactions and trade receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and other payables to related parties are as follows:

Group	Related parties 2023 $'000	Related parties 2022 $'000
Other receivables / (other payables):		
Balance at beginning of the year	17	(8)
Amounts paid out and settlement of liabilities on behalf of related parties	279	25
Amounts paid in and settlement of liabilities on behalf of the group	(389)	–
Balance at end of the year	(93)	17
Presented as:		
Other receivables (Note 19)	22	38
Other payables (Note 25)	(115)	(21)
Net total	(93)	17

Company	Subsidiaries 2023 $'000	Subsidiaries 2022 $'000
Other receivables / (other payables):		
Balance at beginning of the year	(6,387)	(4,975)
Amounts paid out and settlement of liabilities on behalf of subsidiaries	1,583	241
Amounts paid in and settlement of liabilities on behalf of the company	(3,261)	(1,400)
Foreign exchange adjustments	–	(1)
Allowance of impairment loss	–	(252)
Balance at end of the year	(8,065)	(6,387)
Presented as:		
Other receivables (Note 19)	–	10
Other payables (Note 25)	(8,065)	(6,397)
Net total	(8,065)	(6,387)

4. Financial information by operating segments

4A. Information about reportable segment profit or loss, assets or liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

The group deals in luggage bags, travelling accessories, travel bags, small leather goods, garments and related products, handbags and related products, fashion apparels and related products, knit wears, wallets and all types of leather goods. For management purposes, the group's operating businesses are organised by distribution channels. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

(a) Departmental stores – This segment includes major departmental store operators in Singapore and Malaysia;

(b) Specialty stores – This segment includes shops operated by the group and sells mainly the group's merchandise;

(c) Third party retailers – This segment includes independent retailers;

(d) Wholesale distribution – This segment mainly refers to the group's export markets; and

(e) Gift and corporate sales – This segment includes customers who are mainly credit card companies which purchase for their gift redemption/reward programmes purposes, and corporate customers purchasing for corporate promotional activities.

Segment results consist of costs directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets consist principally of trade receivables, inventories and plant and equipment that are directly attributable to a segment.

Unallocated items comprise cash and cash equivalents, certain other receivables, certain property, plant and equipment, right-of-use assets, certain inventories, intangible assets, deferred tax assets, other assets, provision, other financial liabilities, trade and other payables, income tax payable, lease liabilities, deferred tax liabilities, certain interest income, finance costs, certain marketing and distribution costs, certain administrative expenses, certain other gains and other losses, share of profit from equity-accounted associate and income tax expense.

The management reporting system evaluates performance based on a number of factors. However, the primary profitability measurement is to evaluate segment's operating results before interests and income taxes and other unallocated items.

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

The information on each product and service or each group of similar products and services is below and in Note 5.

4. Financial information by operating segments (cont'd)

4B. Profit or loss from continuing operations and reconciliations

Continuing Operations	Departmental stores $'000	Specialty stores $'000	Third party retailers $'000	Wholesale distribution $'000	Gifts & corporate sales $'000	Group total $'000
2023						
Revenue	27,926	10,449	1,805	5,464	748	46,392
Operating profit / (loss)	2,058	1,439	143	(641)	139	3,138
Share of loss of associate	(11)	–	–	–	–	(11)
	2,047	1,439	143	(641)	139	3,127
Interest income						50
Other gains						2,560
Other losses						(893)
Finance costs						(1,105)
Unallocated items						(202)
Income tax expense						(109)
Profit from continuing operations, net of tax						3,428
2022						
Revenue	15,230	5,596	1,578	2,375	252	25,031
Operating (loss) / profit	(367)	(741)	74	(312)	(40)	(1,386)
Share of loss of associate	(15)	–	–	–	–	(15)
	(382)	(741)	74	(312)	(40)	(1,401)
Interest income						2
Other gains						2,639
Other losses						(307)
Finance costs						(792)
Unallocated items						121
Income tax expense						(441)
Loss from continuing operations, net of tax						(179)

4. Financial information by operating segments (cont'd)

4C. Assets and reconciliations

	Departmental stores $'000	Specialty stores $'000	Third party retailers $'000	Wholesale distribution $'000	Gifts & corporate sales $'000	Unallocated $'000	Group total $'000
2023							
Total assets for reportable segments	5,013	1,366	160	2,929	205	-	9,673
Unallocated assets:							
Property, plant and equipment	-	-	-	-	-	18,199	18,199
Right-of-use assets	-	-	-	-	-	9,557	9,557
Inventories	-	-	-	-	-	8,690	8,690
Cash and cash equivalents	-	-	-	-	-	20,388	20,388
Other unallocated assets	-	-	-	-	-	1,499	1,499
Total group assets	5,013	1,366	160	2,929	205	58,333	68,006
2022							
Total assets for reportable segments	5,581	1,077	204	3,815	11	-	10,688
Unallocated assets:							
Property, plant and equipment	-	-	-	-	-	18,410	18,410
Right-of-use assets	-	-	-	-	-	9,150	9,150
Inventories	-	-	-	-	-	6,537	6,537
Cash and cash equivalents	-	-	-	-	-	13,289	13,289
Other unallocated assets	-	-	-	-	-	1,204	1,204
Total group assets	5,581	1,077	204	3,815	11	48,590	59,278

4D. Liabilities and reconciliations

	2023 $'000	2022 $'000
Unallocated liabilities:		
Trade and other payables	7,396	3,443
Other financial liabilities	35,864	34,499
Other liabilities	654	788
Total group liabilities	43,914	38,730

4. Financial information by operating segments (cont'd)

4E. Other material items and reconciliations

2023	Departmental stores $'000	Specialty stores $'000	Third party retailers $'000	Wholesale distribution $'000	Unallocated $'000	Group total $'000
Capital expenditure	169	490	-	-	199	858
Significant non-cash items:						
Depreciation of property, plant and equipment and right-of-use assets	136	1,335	2	-	1,063	2,536
Reversal of impairment of inventories	-	-	-	-	(1,856)	(1,856)
Allowance for impairment on trade receivables	-	-	-	-	634	634
Amortisation of other intangible assets	-	-	-	-	34	34
2022						
Capital expenditure	-	24	-	-	16	40
Significant non-cash items:						
Depreciation of property, plant and equipment and right-of-use assets	61	8	11	-	2,434	2,514
Reversal of impairment of inventories	-	-	-	-	(771)	(771)
Plant and equipment written off	-	-	-	-	13	13
Reversal of impairment on trade receivables	-	-	-	-	(40)	(40)
Amortisation of other intangible assets	-	-	-	-	35	35

4F. Geographical information

	Revenue		Non-current assets	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Singapore	40,327	22,402	27,753	27,506
Malaysia	1,667	1,552	162	225
Indonesia	2,967	448	-	-
Others	1,431	629	187	198
	46,392	25,031	28,102	27,929

Revenues are attributed to countries on the basis of customer's location, irrespective of the origin of the goods and services. The non-current assets, excluding deferred tax assets are analysed by the geographical area in which the assets are located.

4G. Information about major customers

	Group	
	2023 $'000	2022 $'000
Top 1 customer in departmental stores (2022: departmental stores) segment	8,183	4,115

5. Revenue

	Group	
	2023	2022
	$'000	$'000
Sale of goods	44,731	23,072
Other revenues	581	907
Rental income	637	497
Royalty income	443	555
	46,392	25,031

The revenue from sale of goods is recognised at a point in time and all contracts with customers are less than 12 months. The customers are retailers and wholesalers. Certain portion of the goods is exported. Other revenues mainly consist of services charged which is recognised at point in time. Rental and royalty income is recognised over time.

6. Other gains and (other losses)

	Group	
	2023	2022
	$'000	$'000
(Allowance)/ Reversal for impairment on trade receivables (Note 19)	(634)	40
Reversal for impairment on inventories (Note 18)	1,856	771
Amortisation of other intangible assets	(34)	(35)
Bad debts written off	–	(244)
Fair value gain on derivative financial instruments (Note 28)	11	144
Foreign exchange adjustment losses	(205)	(32)
Government grants – Job Support Scheme	35	1,034
Government grants – Others	658	644
Inventories written off	(20)	(233)
Plant and equipment written off	–	(13)
Insurance settlement – credit	–	270
Net	1,667	2,346
Presented in profit or loss as:		
Other gains	2,560	2,903
Other losses	(893)	(557)
Net	1,667	2,346

7. Marketing and distribution costs

The major components include the following:

	Group	
	2023	2022
	$'000	$'000
Digital marketing	–	259
Employee benefits expense (Note 10)	9,826	5,616
Warehouse sales expense	717	193

8. Administrative expenses

The major components include the following:

	Group	
	2023	2022
	$'000	$'000
Employee benefits expense (Note 10)	2,977	1,709
Property tax	189	189

9. Finance costs

	Group	
	2023	2022
	$'000	$'000
Interest on lease liabilities	329	310
Interest expense	776	514
	1,105	824

10. Employee benefits expense

	Group	
	2023	2022
	$'000	$'000
Short-term employee benefits expense	11,059	6,269
Contributions to defined contribution plans	1,404	837
Other benefits	340	219
Total employee benefits expense	12,803	7,325

10. Employee benefits expense (cont'd)

	Marketing and distribution costs $'000	Administrative expenses $'000	Total $'000
2023	**9,826**	**2,977**	**12,803**
2022	5,616	1,709	7,325

11. Income tax expense

11A. Components of tax expense recognised in profit or loss include:

	Group 2023 $'000	Group 2022 $'000
Current tax expense:		
Current tax expense	**323**	398
Withholding tax	**55**	52
(Over)/Under adjustments to current tax in respect of prior periods	**(240)**	25
Sub-total	**138**	475
Deferred tax income:		
Deferred tax income	**(29)**	(34)
Total income tax expense	**109**	441

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate. The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2022: 17%) to profit or loss before income tax as a result of the following differences:

	Group 2023 $'000	Group 2022 $'000
Profit before tax	**3,537**	262
Share of loss from equity-accounted associate	**11**	15
	3,548	277
Income tax expense at the above rate	**603**	47
Expenses not deductible for tax purposes	**170**	191
Income not subject to tax	**(8)**	(285)
Effect of different tax rates in different countries	**(1)**	(24)
(Over)/Under adjustments to tax in respect of prior periods	**(240)**	25
Utilisation of previously unrecognised deferred tax assets	**(465)**	-
Deferred tax assets not recognised	**-**	425
Withholding tax paid, net of double tax relief	**55**	52
Othes	**(5)**	10
Total income tax expense	**109**	441

11. Income tax expense (cont'd)

11A. Components of tax expense recognised in profit or loss include: (cont'd)

There are no income tax consequences of dividends to owners of the company.

The major not liable to tax items include the following:

	Group 2023 $'000	Group 2022 $'000
Government grants from Job Support Scheme, rent concession and others	(47)	(1,678)

11B. Deferred tax income recognised in profit or loss includes:

	Group 2023 $'000	Group 2022 $'000
Excess of net book value of property, plant and equipment over tax value	30	(99)
Other intangible assets and fair value adjustment to depreciable properties arising from acquisition of subsidiaries	(6)	(6)
Excess of tax value of property, plant and equipment over net book value	(89)	57
Tax loss carryforwards	583	(1,452)
Provisions	(82)	1,041
Utilisation of previously unrecognised deferred tax assets	(465)	-
Deferred tax assets not recognised	-	425
Total deferred tax income recognised in profit or loss	(29)	(34)

11C. Deferred tax balances in the statement of financial position:

	Group 2023 $'000	Group 2022 $'000
Deferred tax (liabilities) / assets recognised in profit or loss:		
Excess of net book value of property, plant and equipment over tax value	(80)	(50)
Other intangible assets and fair value adjustment to depreciable properties arising from acquisition of subsidiaries	(49)	(55)
Excess of tax value of property, plant and equipment over net book value	92	3
Unabsorbed capital allowances	18	18
Tax loss carryforwards	1,036	1,619
Provisions	1,369	1,287
Deferred tax assets not recognised	(2,426)	(2,891)
Total	(40)	(69)
Presented in the statement of financial position as:		
Deferred tax liabilities	(95)	(101)
Deferred tax assets	55	32
Net position	(40)	(69)

11. Income tax expense (cont'd)

11C. Deferred tax balances in the statement of financial position: (cont'd)

	Company 2023 $'000	Company 2022 $'000
Deferred tax liabilities recognised in profit or loss:		
Excess of net book value of property, plant and equipment over tax value	(29)	(30)
Provisions	3	4
Total	(26)	(26)
Presented in the statement of financial position as:		
Deferred tax liabilities	(26)	(26)

It is impracticable to estimate the amount expected to be settled or used within one year. Temporary differences arising in connection with interests in subsidiaries and joint venture are insignificant.

The unrecognised deferred tax assets arise from unused tax losses amounting to $1,036,000 (2022: $1,619,000). The above deferred tax assets for the tax losses that have not been recognised as the future profit streams are not probable against which the deductible temporary difference can be utilised. The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

12. Earnings/(Loss) per share

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings/(loss) per share of no par value:

	Group 2023 $'000	Group 2022 $'000
A. Numerators: Earnings/(Loss) attributable to equity:		
Continuing operations: attributable to equity holders	3,093	(409)

	Group 2023 '000	Group 2022 '000
B. Denominators: weighted average number of equity shares:		
Basic and diluted	63,098	63,098

The weighted average number of equity shares refers to shares in circulation during the reporting year. It is after the neutralisation of the treasury shares.

There is no dilution of earnings/(loss) per share as there are presently no dilutive shares outstanding as at the end of the reporting year. The denominators used are the same as those detailed above for both basic and diluted earnings/(loss) per share.

13. Property, plant and equipment

Group	Leasehold property $'000	Equipment and leasehold improvements $'000	Total $'000
Cost:			
At 1 April 2021	19,864	5,402	25,266
Additions	-	40	40
Disposals / write off	-	(21)	(21)
At 31 March 2022	19,864	5,421	25,285
Additions	-	858	858
Disposals/write off	-	(37)	(37)
Foreign exchange adjustments	-	(14)	(14)
At 31 March 2023	**19,864**	**6,228**	**26,092**
Accumulated depreciation:			
At 1 April 2021	2,107	3,650	5,757
Depreciation for the year	503	623	1,126
Disposals / write off	-	(8)	(8)
At 31 March 2022	2,610	4,265	6,875
Depreciation for the year	503	563	1,066
Disposals/write off	-	(37)	(37)
Foreign exchange adjustments	-	(11)	(11)
At 31 March 2023	**3,113**	**4,780**	**7,893**
Carrying value:			
At 1 April 2021	17,757	1,752	19,509
At 31 March 2022	17,254	1,156	18,410
At 31 March 2023	**16,751**	**1,448**	**18,199**

	Group 2023 $'000	Group 2022 $'000
Net book value of plant and equipment under lease liabilities	**50**	108

	Group 2023 $'000	Group 2022 $'000
Allocation of the depreciation expense:		
Marketing and distribution costs	**386**	357
Administrative expenses	**680**	769
Total	**1,066**	1,126

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

Company	Leasehold property	Equipment and leasehold improvements	Total
	$'000	$'000	$'000
Cost:			
At 1 April 2021	19,864	1,630	21,494
Additions	–	10	10
At 31 March 2022	19,864	1,640	21,504
Additions	–	9	9
At 31 March 2023	**19,864**	**1,649**	**21,513**
Accumulated depreciation:			
At 1 April 2021	2,107	893	3,000
Depreciation for the year	503	255	758
At 31 March 2022	2,610	1,148	3,758
Depreciation for the year	503	164	667
At 31 March 2023	**3,113**	**1,312**	**4,425**
Carrying value:			
At 1 April 2021	17,757	737	18,494
At 31 March 2022	17,254	492	17,746
At 31 March 2023	**16,751**	**337**	**17,088**

	Company	
	2023	2022
	$'000	$'000
Net book value of plant and equipment under lease liabilities	**43**	86

Certain items are under lease agreements (Note 26). The leasehold property is mortgaged or pledged as security for the bank facilities (Note 27).

14. Right-of-use assets

The right-of-use assets in the statement of financial position as follows:

	Group			Company
	Leasehold land and building	Retail outlets	Total	Leasehold land and building
	$'000	$'000	$'000	$'000
Cost:				
At 1 April 2021	8,335	3,527	11,862	8,335
Remeasurement	227	324	551	227
Disposals/write off	–	(1,048)	(1,048)	–
At 31 March 2022	8,562	2,803	11,365	8,562
Additions	–	2,481	2,481	–
Remeasurement	(594)	(16)	(610)	(594)
Disposals/write off	–	(762)	(762)	–
At 31 March 2023	**7,968**	**4,506**	**12,474**	**7,968**
Accumulated depreciation:				
At 1 April 2021	439	1,343	1,782	439
Depreciation for the year	224	1,164	1,388	224
Remeasurement	–	93	93	–
Disposals/write off	–	(1,048)	(1,048)	–
At 31 March 2022	663	1,552	2,215	663
Depreciation for the year	221	1,249	1,470	221
Remeasurement	–	(6)	(6)	–
Disposals/write off	–	(762)	(762)	–
At 31 March 2023	**884**	**2,033**	**2,917**	**884**
Carrying value:				
At 1 April 2021	7,896	2,184	10,080	7,896
At 31 March 2022	7,899	1,251	9,150	7,899
At 31 March 2023	**7,084**	**2,473**	**9,557**	**7,084**

	Group	
	2023	2022
	$'000	$'000
Allocation of the depreciation expense:		
Marketing and distribution costs	**1,249**	1,164
Administrative expenses	**221**	224
Total	**1,470**	1,388

14. Right-of-use assets (cont'd)

Information on leases:

2023	Group and Company Leasehold land and building	Group Retail outlets
Number of right-of-use assets	**1**	**9**
Remaining term – range	**33.2 years**	**0.6 years – 3.6 years**
Remaining term – average	**33.2 years**	**3 years**
Number of leases with extension options	**1**	**9**
2022		
Number of right-of-use assets	1	9
Remaining term – range	34.2 years	1.4 years – 4 years
Remaining term – average	34.2 years	3 years
Number of leases with extension options	1	8

There are restrictions or covenants imposed by the leases to sublet the asset to another party. The right-of-use assets can only be used by the lessee. Unless permitted by the owner, the lease prohibits from selling or pledging the underlying leased assets as security. Typically, the leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term.

For leases over properties the leases require those properties in a good state of repair and return the properties in their original condition at the end of the lease. Insurance and maintenance fees on right-of-use assets are usually required under the lease contracts.

15. Intangible assets

Group	Licensed brands $'000	Trademarks $'000	Total $'000
Cost:			
At 1 April 2021, 31 March 2022 and 31 March 2023	**864**	**652**	**1,516**
Accumulated amortisation:			
At 1 April 2021	691	652	1,343
Amortisation for the year	35	-	35
At 31 March 2022	726	652	1,378
Amortisation for the year	34	-	34
At 31 March 2023	**760**	**652**	**1,412**
Carrying value:			
At 1 April 2021	173	-	173
At 31 March 2022	138	-	138
At 31 March 2023	**104**	**-**	**104**

15. Intangible assets (cont'd)

The amortisation expense is charged to profit or loss under other losses.

Trademarks include the Brentwood trademark which was acquired by a subsidiary, YG Marketing Pte. Ltd. in 2002 and a registered trademark, U.R.S & Inc. owned by another subsidiary, SYI Co (Pte) Ltd. The Brentwood trademark is used on menswear and apparel manufactured and sold by YG Marketing Pte. Ltd. The U.R.S & Inc. trademark is applied to women's handbags and footwear in a number of countries. The trademarks have been fully amortised in prior years. Licensed brands relate to exclusive licensing rights of Ashworth, Arnold Palmer, Pierre Cardin, Van Heusen, Daniel Hechter and Crocodile brands. These brands have been fully amortised in prior years except for Crocodile brand. At the end of reporting year, the remaining term of license for Crocodile brand is 3 years (2022: 4 years).

16. Investments in subsidiaries

	Company	
	2023	2022
	$'000	$'000
Movements during the year. At cost:		
At beginning of the year	15,734	12,734
Additions	-	3,000
Balance at end of the year	15,734	15,734
Net book value of subsidiaries	21,201	18,143
Carrying value comprising:		
Unquoted equity shares at cost	19,215	19,215
Allowance for impairment	(3,481)	(3,481)
Balance at end of the year	15,734	15,734
Movements in above allowance:		
Balance at beginning and end of the year	3,481	3,481

16. Investments in subsidiaries (cont'd)

The subsidiaries held by the company and the group are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities and independent auditors	Cost in books of group		Effective percentage of equity held by group	
	2023	2022	2023	2022
	$'000	$'000	%	%
Demarco Pte Ltd [(a)]				
Singapore				
Importers, exporters, manufacturers and wholesalers of luggage bags and travelling accessories	**5,880**	5,880	**100**	100
YG Marketing Pte. Ltd.[(a)]				
Singapore				
Trading in garments and other related products	**13,004**	13,004	**87.3**	87.3
JIT Distribution Pte. Ltd.[(a)]				
Singapore				
Provision of logistic services	**–** [(c)]	– [(c)]	**100**	100
SYI Co (Pte) Ltd [(a)]				
Singapore				
Franchisor and master licensor	**331**	331	**100**	100
Fashion Way Sdn. Bhd. [(b)]				
Malaysia				
Sale and distribution of footwear, knitwear, wallets and all types of leather goods	**–** [(c)]	– [(c)]	**100**	100
YGM Marketing Sdn. Bhd. [(b)]				
Malaysia				
Dormant	**–** [(c)]	– [(c)]	**100**	100
	19,215	19,215		
Held by Demarco Pte. Ltd.				
Global Brands Studio Co., Ltd. [(b)]				
Kingdom of Cambodia				
Trading in luggage, travel bags and accessories, apparels and other related products	**13**	13	**100**	100
Held by YG Marketing Pte. Ltd.				
Singapore Crocodile (1968) Pte Ltd [(a)]				
Singapore				
Wholesale and retailing of ready-made apparel	**2,808**	2,808	**52.4**	52.4

(a) Audited by RSM Chio Lim LLP, a member firm of RSM International.

(b) Management accounts were used for purpose of consolidation as the subsidiaries are not considered material.

(c) Cost of investment less than $1,000. The subsidiaries are not significant.

16. Investments in subsidiaries (cont'd)

There are subsidiaries that have non-controlling interests that are considered material to the reporting entity and additional disclosures on them (amounts before inter-company eliminations) are presented below:

The carrying amounts of non-controlling interests are as follows:

	Group	
	2023	2022
	$'000	$'000
YG Marketing Pte. Ltd.	1,795	1,591
Singapore Crocodile (1968) Pte Ltd	2,725	2,594
Total	4,520	4,185

Below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the group. These are presented before inter-company eliminations.

Summarised statement of profit or loss and other comprehensive income:

	YG Marketing Pte. Ltd.		Singapore Crocodile (1968) Pte Ltd	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Revenue	17,243	12,189	7,167	6,221
Profit before income tax	1,704	1,167	272	393
Total comprehensive income	1,500	883	332	283
Total comprehensive income allocated to non-controlling interests	204	112	131	118

Summarised statement of financial position:

	YG Marketing Pte. Ltd.		Singapore Crocodile (1968) Pte Ltd	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Current assets	20,182	18,011	10,913	8,351
Non-current assets	4,411	3,942	627	611
Current liabilities	(5,466)	(3,568)	(4,225)	(1,427)
Non-current liabilities	(2,381)	(3,138)	(1,653)	(2,205)

16. Investments in subsidiaries (cont'd)

Summarised statement of cash flows:

	YG Marketing Pte. Ltd.		Singapore Crocodile (1968) Pte Ltd	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Net cash flows from operating activities	**167**	1,986	**444**	1,025
Net cash flows (used in)/from investing activities	**(43)**	112	**23**	14
Net cash flows (used in)/from financing activities	**(1,513)**	(638)	**1,183**	822

17. Investment in associates

	Group	
	2023	2022
	$'000	$'000
Movements in carrying value:		
Balance at beginning of the year	**198**	213
Share of post-acquisition loss	**(11)**	(15)
Balance at end of the year	**187**	198
Carrying value comprising:		
Unquoted equity shares at cost	**267**	267
Share of post-acquisition loss	**(80)**	(69)
	187	198

The listing of and information on the associates are given below:

Name of associates, country of incorporation, place of operations, principal activity and independent auditors	Cost in books of group		Effective percentage of equity held by group	
	2023	2022	2023	2022
	$'000	$'000	%	%
Beijing U-Sibei Trading Co., Ltd [(a)]				
People's Republic of China				
Dormant	**-**	-	**45**	45
BYN International Co., Ltd [(b)]				
Thailand				
Merchandising development, manufacture and sale of men's apparel	**267**	267	**20**	20
	267	267		

(a) No management accounts were available as an application has been filed with the Chinese authorities to de-register the associate since May 2011. As at 31 March 2023, the management is still working with the joint venture partner to complete the deregistration. Management is of the view that there are no further expenses arising from the deregistration.

(b) Management accounts were used for the purpose of equity accounting as the associate is not considered material.

17. Investment in associates (cont'd)

There are associates that are considered not material to the reporting entity. The summarised financial information of all the non-material associates and the aggregate amounts (and not the reporting entity's share of those amounts) based on the financial statements of the associates are as follows. These are adjusted to reflect adjustments made by the reporting entity when using the equity method.

	Group	
	2023	2022
	$'000	$'000
Aggregate for all non-material associates:		
Loss from continuing operations	(11)	(15)
Total comprehensive loss	(11)	(15)
Net assets of the associates	681	758

There are no significant restrictions on the ability of the major associates to transfer funds to the reporting entity in the form of cash dividends.

18. Inventories

	Group	
	2023	2022
	$'000	$'000
Finished goods and goods for resale	12,500	9,923
Inventories are stated after allowance. Movements in allowance:		
Balance at beginning of the year	2,642	3,413
Reversed to profit or loss included in other gains (Note 6)	(1,856)	(771)
Balance at end of the year	786	2,642
Changes in inventories of finished goods and goods for resale (increase)	(2,577)	2,175
The amount of inventories included in cost of sales	22,412	12,266

Certain inventories were purchased under bills payable (Note 27).

The reversal of the allowance is due to goods sold during the year.

19. Trade and other receivables

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Trade receivables:				
Outside parties	10,724	11,039	16	16
Less allowance for impairment – outside parties	(5,408)	(4,854)	-	-
Subsidiaries	-	-	3,177	1,400
Less allowance for impairment – subsidiaries	-	-	-	(104)
Net trade receivables, sub-total	5,316	6,185	3,193	1,312
Other receivables:				
Deposits to secure services	1,001	1,120	321	302
Staff advances	27	40	-	-
Outside parties	191	441	-	-
Less allowance for impairment – outside parties	(107)	(27)	-	-
Subsidiaries (Note 3)	-	-	2,202	2,390
Less allowance for impairment – subsidiaries	-	-	(2,202)	(2,380)
Related parties (Note 3)	22	38	-	-
Net other receivables, sub-total	1,134	1,612	321	312
Total trade and other receivables	6,450	7,797	3,514	1,624
Disclosed as:				
Trade and other receivables, current	6,450	7,796	3,514	1,624
Other receivables, non-current	-	1	-	-
	6,450	7,797	3,514	1,624
Movements in above allowances:				
Balance at beginning of the year	4,881	4,921	2,484	2,220
Charged/(Reversed) for trade and other receivables to profit or loss included in other gains and losses (Note 6)	634	(40)	(282)	264
Balance at end of the year	5,515	4,881	2,202	2,484

At the end of the reporting year, the group holds collateral of 3 units of warehouse cum-office properties located in Indonesia with a total fair value of $1,616,000 (2022: $1,616,000) against a major trade customer balance, net of allowance, amounting to $2,169,000 (2022: $2,369,000). In the event that the customer does not fulfil the obligation to pay the debts, the group has the right to dispose the collateral and collect the sales proceed arising from the disposal without the approval by the customer. The customer has signed a letter of undertaking to create a floating charge over certain assets of the customer. The customer has also signed a deed of fiduciary security to assign to the group the rights to certain assets owned by the customer. In addition, the customer has also pledged its shares in the customer's company to the group. The group has registered the deed of fiduciary security with the relevant fiduciary security office in Indonesia.

19. Trade and other receivables (cont'd)

The trade receivables shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The trade receivables are considered to have low credit risk individually. At the end of the reporting year, a loss allowance is recognised at an amount equal to life time expected credit losses because there has been a significant increase in credit risk since initial recognition. A loss allowance balance of the group amounting to $5,408,000 (2022: $4,854,000) and the company amounting to $Nil (2022: $104,000) were recognised. Except for those in the above paragraph, there is no collateral held as security and other credit enhancements for the trade receivables.

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

(a) Ageing analysis of the age of gross trade receivable amounts that are past due as at the end of reporting year but not impaired:

	Group	
	2023	2022
	$'000	$'000
Trade receivables:		
Less than 60 days	3,919	2,721
61 - 90 days	666	944
91 - 120 days	211	45
Over 120 days	520	2,475
Total	5,316	6,185

(b) Ageing analysis as at the end of reporting year of trade receivable amounts that are impaired:

	Group	
	2023	2022
	$'000	$'000
Trade receivables:		
Over 120 days	5,408	4,854

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 7 to 30 days (2022: 7 to 30 days) except for an overseas distributor to whom extended credit terms are granted. But some customers take a longer period to settle the amounts. The group does not generally grant credit for retail customers as goods are usually settled in cash, Network. For Electronic Transfers (NETS) and credit card payments. NETS and credit card payments take approximately a few days to settle.

Concentration of trade receivable customers at the end of reporting year:

	Group	
	2023	2022
	$'000	$'000
Top 1 customer	7,210	6,774
Top 2 customers	7,582	7,645

19. Trade and other receivables (cont'd)

Other receivables are normally with no fixed terms and therefore there is no maturity.

The other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables at amortised cost and which can be graded as low risk individually are considered to have low credit risk. At the end of the first reporting period a loss allowance is recognised at an amount equal to 12-month expected credit losses because there has not been a significant increase in credit risk since initial recognition except at the company level. A loss allowance balance of $107,000 (2022: $27,000) and $2,202,000 (2022: $2,380,000) of the group and the company were recognised respectively.

20. Other non-financial assets

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Prepayments	**566**	341	**34**	37

21. Cash and cash equivalents

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Not restricted in use	**20,388**	13,289	**854**	501
Interest earning balances	**4,447**	2,238	**93**	52

The rate of interest for the cash on interest earning balances ranged from 0.02% – 3.82% (2022: 0.02% – 1.65%) per annum.

21A. Reconciliation of liabilities arising from financing activities:

	2022	Cash flows	Non-cash changes	2023
	$'000	$'000	$'000	$'000
Lease liabilities	**9,565**	(1,337)	**1,877** (a)	**10,105**
Borrowings	**24,934**	825	**–**	**25,759**
Total liabilities from financing activities	**34,499**	(512)	**1,877**	**35,864**

	2021	Cash flows	Non-cash changes	2022
	$'000	$'000	$'000	$'000
Lease liabilities	10,422	(1,315)	458 (a)	9,565
Borrowings	23,805	1,129	–	24,934
Total liabilities from financing activities	34,227	(186)	458	34,499

(a) Interest expense and additions of right-of-use assets under lease contracts.

22. Share capital

	Number of shares issued '000	Share capital $'000
Group and Company		
Balance at 1 April 2021, 31 March 2022 and 31 March 2023	63,106	21,831

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income.

	Number of treasury shares '000	Cost $'000
Number at 1 April 2021, 31 March 2022 and 31 March 2023	8	2

The company is not subject to any externally imposed capital requirement.

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets.

In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

In order to maintain its listing on the Singapore Stock Exchange, the company has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the registrar frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

22. Share capital (cont'd)

Capital management: (cont'd)

	2023 $'000	2022 $'000
Net debt:		
All current and non-current borrowings including finance leases	35,864	34,499
Less cash and cash equivalents	(20,388)	(13,289)
Net debt	15,476	21,210
Net capital:		
Equity	24,092	20,548
	%	%
Debt-to-adjusted capital ratio	64.2	103.2

The favourable change of the group as shown by decrease in the debt-to-adjusted capital ratio for the reporting year resulted primarily from the increase in cash and cash equivalents and net profit.

23. Other reserves

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Foreign currency translation reserve (Note 23A)	327	211	–	–

23A. Foreign currency transaction reserve:

	Group	
	2023 $'000	2022 $'000
At beginning of the year	211	203
Exchange difference on translating foreign currencies	116	8
At end of the year	327	211

All reserves classified on the face of the statement of financial position as retained earnings represents past accumulated earnings and are distributable as cash dividends. The other reserves are not available for cash dividends unless realised.

24. Provisions

	Group	
	2023	2022
	$'000	$'000
Provision for dismantling and removing the item and restoring the site relating to plant and equipment	128	143
Movements in above provision:		
Balance at beginning of the year	143	143
Used	(15)	–
Balance at end of the year	128	143

The provision is based on the present value of costs to be incurred to remove leasehold improvements from leased properties. The estimate is based on quotations from external contractors. The unexpired terms range from 1 to 2 years (2022: 1 to 2 years).

25. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Trade payables:				
Outside parties and accrued liabilities	7,130	2,672	757	452
Other payables:				
Related parties (Note 3)	115	21	–	–
Subsidiaries (Note 3)	–	–	8,065	6,397
Deposits received	151	751	415	372
Other payables, sub-total	266	772	8,480	6,769
Total trade and other payables	7,396	3,444	9,237	7,221

Deposits received relate to security deposits refundable to the tenants at the end of the lease term.

26. Lease liabilities

Lease liabilities are presented in the statements of financial position as follows:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Lease liabilities, current	1,435	873	175	165
Lease liabilities, non-current	8,670	8,692	7,344	8,093
	10,105	9,565	7,519	8,258

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

26. Lease liabilities (cont'd)

Only variable lease payments that depend on an index or a rate; payments that vary to reflect changes in market rental rates are included in the measurement of the lease liability. Such variable amounts that are unpaid at the commencement date are included in the measurement of lease liability. Variable lease payments would also include extension options and termination options. The variable lease payments that based on revenue are recognised in profit or loss in the year in which the condition that triggers those payments occurs.

Lease liabilities under operating leases are secured by the right-of-use (Note 14) assets because these will revert to the lessor in the event of default.

Certain leases are secured by a legal charge over the leased assets (Note 13).

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

A summary of the maturity analysis of lease liabilities is disclosed in Note 32E. Total cash outflows from leases are shown in the consolidated statement of cash flows.

	Leased land and building	Plant and equipment	Retail outlets
Incremental borrowing rates	3.89% (2022: 2.00% to 3.29%)	1.99% (2022: 1.99%)	2.00% to 4.94% (2022: 2.00% to 3.29%)

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group	
	2023 $'000	2022 $'000
Expense relating to short-term leases included in marketing and distribution costs	**124**	140
Expense relating to short-term leases included in administrative expenses	**63**	41
Expense relating to leases of low-value assets included in marketing and distribution costs	**22**	24
Expense relating to leases of low-value assets included in administrative expenses	**37**	48
Expense relating to variable lease payments not included in lease liabilities included in marketing and distribution costs	**322**	139
	568	392

27. Other financial liabilities

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Non-current:				
Financial instruments with floating interest rate:				
Bank loans (secured) (Note 27A)	**13,028**	16,120	**8,174**	8,532
Non-current, total	**13,028**	16,120	**8,174**	8,532
Current:				
Financial instruments with floating interest rate:				
Bank loans (secured) (Note 27A)	**8,108**	7,927	**5,374**	5,543
Bills payable to banks (Note 27B)	**4,623**	887	**–**	–
Current, total	**12,731**	8,814	**5,374**	5,543
Total	**25,759**	24,934	**13,548**	14,075
The non-current portion is repayable as follows:				
Due within 2 to 5 years	**6,653**	10,445	**1,799**	2,857
After 5 years	**6,375**	5,675	**6,375**	5,675
Total non-current portion	**13,028**	16,120	**8,174**	8,532

The range of floating interest rates paid are as follows:

	Group	
	2023	2022
	%	%
Bank loans (secured)	**1.50 – 7.20**	1.98 – 3.50
Bills payable to banks	**2.82 – 6.40**	1.93 – 2.32

27A. Bank loans

The bank loans of the subsidiaries are covered by corporate guarantees from the company.

The bank loans of the company are secured by first legal mortgages on leasehold properties of the company and a subsidiary, assignment of rental proceeds from the aforementioned leasehold properties and corporate guarantees from certain subsidiaries in favour of the lender. The bank agreement also provides for the need to comply with certain financial covenants by the company.

The fair value (Level 2) of the bank loans is a reasonable approximation of carrying amount as they are floating rate debt instruments that are re-set regularly at one, three or six month intervals.

27B. Bills payable to banks

The bills payable (including trust receipts) of the subsidiaries are covered by corporate guarantees from the company as well as negative pledge on the assets of a subsidiary.

28. Derivative financial instruments

The table below summarises the fair value of derivatives engaged into at the end of the year. All derivatives are not designated as hedging instruments.

	Group and Company	
	2023	2022
	$'000	$'000
Liabilities – Derivatives with negative fair values:		
Interest rate swaps	–	11
	–	11
Movements during the year as follows:		
At beginning of the year	11	155
Fair value changes recognised in profit or loss (Note 6)	(11)	(144)
At end of the year	–	11

The company entered into the interest rate swap to convert floating borrowing rate to fixed borrowing rate. The interest rate swaps expired in May 2022.

29. Contingent liabilities

The company issued corporate guarantees to banks in respect of banking facilities extended to certain subsidiaries amounting to $10,607,000 (2022: $11,648,000) (Note 32E).

30. Operating lease income commitments – as lessor

A maturity analysis of the undiscounted lease amounts to be received on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years is as follows:

Operating lease income under SFRS (I) 16	Group and Company	
	2023	2022
	$'000	$'000
Not later than 1 year	591	553
Between 1 and 2 years	266	242

	Group and Company	
	2023	2022
	$'000	$'000
Rental income for the year	637	497

Operating lease income commitments are for certain office and warehouse premises. The lease rental income terms are negotiated for average terms of two to three years. Rentals are not subject to any escalation clause.

The management has not entered into contractual obligations for the maintenance or enhancement of the leasehold and investment properties.

As the lessor, the group manages the risk associated with any rights it retains in the underlying assets by having insurance coverage to reduce that risk.

31. Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2023	2022
	$'000	$'000
Commitment to purchase plant and equipment	202	336

32. Financial instruments: information on financial risks

32A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Financial assets:				
Financial assets at amortised cost	26,838	21,086	4,368	2,125
At end of the year	26,838	21,086	4,368	2,125
Financial liabilities:				
Financial liabilities at amortised cost	43,260	37,943	30,304	29,554
Financial liabilities at fair value through profit or loss	–	11	–	11
At end of the year	43,260	37,954	30,304	29,565

Further quantitative disclosures are included throughout these financial statements.

32B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. The following guidelines are followed:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.

2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.

3. All financial risk management activities are carried out and monitored by senior management staff.

4. All financial risk management activities are carried out following good market practices.

There have been no changes to the exposures to risk, the objectives, policies and processes for managing the risk and the methods used to measure the risk.

32. Financial instruments: information on financial risks (cont'd)

32C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

32D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counterparties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12-month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standards on financial instruments.

32E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 to 120 days (2022: 30 to 120 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

32. Financial instruments: information on financial risks (cont'd)

32E. Liquidity risk – financial liabilities maturity analysis (cont'd)

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

Group	Less than 1 year $'000	2 - 5 years $'000	Over 5 years $'000	Total $'000
2023				
Non-derivative financial liabilities:				
Gross borrowings commitments	13,464	8,854	8,630	30,948
Gross lease liabilities	1,668	2,852	11,343	15,863
Trade and other payables	7,396	–	–	7,396
At end of the year	22,528	11,706	19,973	54,207
2022				
Non-derivative financial liabilities:				
Gross borrowings commitments	9,043	10,330	6,769	26,142
Gross lease liabilities	1,111	2,047	11,499	14,657
Trade and other payables	3,444	–	–	3,444
At end of the year	13,598	12,377	18,268	44,243
Company				
2023				
Non-derivative financial liabilities:				
Gross borrowings commitments	5,977	3,908	8,630	18,515
Gross lease liabilities	430	1,608	11,343	13,381
Trade and other payables	9,237	–	–	9,237
At end of the year	15,644	5,516	19,973	41,133
2022				
Non-derivative financial liabilities:				
Gross borrowings commitments	5,772	2,738	6,769	15,279
Gross lease liabilities	418	1,590	11,499	13,507
Trade and other payables	7,221	–	–	7,221
At end of the year	13,411	4,328	18,268	36,007

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

32. Financial instruments: information on financial risks (cont'd)

32E. Liquidity risk – financial liabilities maturity analysis (cont'd)

Financial guarantee contracts - For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year no claims on the financial guarantees are expected to be payable.

The following table shows the maturity analysis of the contingent liabilities from financial guarantees:

	Company	
	2023	2022
	$'000	$'000
Less than 1 year		
Financial guarantee contracts – in favour of subsidiaries	10,607	11,648
Total	10,607	11,648

	Group	
	2023	2022
	$'000	$'000
Banking facilities		
Undrawn borrowing facilities	2,377	6,113

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

32F. Interest rate risk

Interest rate risk arises from interest-bearing financial instruments recognised in the statement of financial position and from some financial instruments not recognised in the statement of financial position. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Financial assets:				
Floating rate	4,447	2,238	93	52
Total at end of the year	4,447	2,238	93	52
Financial liabilities:				
Fixed rate	10,105	9,565	7,519	8,258
Floating rate	25,759	24,934	13,548	14,075
Total at end of the year	35,864	34,499	21,067	22,333

32. Financial instruments: information on financial risks (cont'd)

32F. Interest rate risk (cont'd)

The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Financial assets:				
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would change pre-tax loss for the year by	44	22	1	1
Financial liabilities:				
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would change pre-tax loss for the year by	258	249	135	141

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

32. Financial instruments: information on financial risks (cont'd)

32G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

Analysis of amounts denominated in non-functional currencies:

Group	US Dollar	Ringgit Malaysia	Total
	$'000	$'000	$'000
2023			
Financial assets:			
Cash and bank balances	–	162	162
Loans and receivables	60	–	60
Total financial assets	60	162	222
Financial liabilities:			
Trade and other payables	(1,519)	–	(1,519)
Total financial liabilities	(1,519)	–	(1,519)
Net financial (liabilities)/assets at end of the year	(1,459)	162	(1,297)
2022			
Financial assets:			
Cash and bank balances	–	128	128
Loans and receivables	566	–	566
Total financial assets	566	128	694
Financial liabilities:			
Trade and other payables	(277)	–	(277)
Total financial liabilities	(277)	–	(277)
Net financial assets at end of the year	289	128	417

Company	Ringgit Malaysia	
	2023	2022
	$'000	$'000
Financial assets:		
Cash and bank balances	93	52
Total financial assets	93	52

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis: The effect on pre-tax loss is not significant.

33. Items in profit or loss

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges:

	Group	
	2023	2022
	$'000	$'000
Audit fees to independent auditors:		
– the company's independent auditor	163	156
– other independent auditors: non-network firm	3	2
Audit-related services (ARS) fees to the company's independent auditor	5	5
Total	171	163
Non-ARS fees to independent auditors:		
– the company's independent auditor	23	21
– other independent auditors: non–network firm	19	17
Total	42	38

34. Events after the end of the reporting year

On 24 March 2023, the company entered into a sale and purchase agreement to acquire 40% of the equity shares (representing 68,363 ordinary shares) of Funkie Monkies Ventures Pte Ltd (the "Target") for a purchase consideration of up to S$2,400,000.

Upon completion of the Proposed Acquisition, the Target will become a 40% owned associate company of the company.

The Purchase Consideration will be satisfied in the following manner:

(i) 50% of the Consideration will be payable in cash, subject to the amount representing the Minimum Consideration being paid in cash; and

(ii) the remaining 50% of the Consideration will be payable through one or a combination of the following:

(a) the issuance of new ordinary shares in the company's capital (the "Consideration Shares"),

(b) cash, or

(c) a combination of both, at the sole and absolute discretion of the company.

The company has paid a deposit of $688,000 as the Minimum Consideration in cash in April 2023.

As of the date of this report, the acquisition has not completed.

35. Changes and adoption of financial reporting standards

For the current reporting year, new or revised financial reporting standards were issued by the Accounting Standards Council Committee under ACRA. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS(I) No.	Title
SFRS (I) 1-39; 7 and 9	Interest Rate Benchmark Reform – Amendments to The Conceptual Framework for Financial Reporting
SFRS (I) 16	COVID-19 Related Rent Concessions – Amendment to SFRS(I) 16

36. New or amended standards in issue but not yet effective

For the future reporting years, certain new or revised financial reporting standards were issued by the Accounting Standards Committee under ACRA and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 January 2024
SFRS (I) 1-1	Disclosure of Accounting Policies – Amendments to SFRS(I) 1-1 and SFRS(I) Practise Statement 2: Making Materiality Judgements	1 January 2023
SFRS (I) 1-8	Definition of Accounting Estimates - Amendments to SFRS (I) 1-8	1 January 2023
SFRS(I) 1-12, SFRS(I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to SFRS(I) 1-12, SFRS(I) 1	1 January 2023

Statistics of Shareholdings

As at 27 June 2023

SHARE CAPITAL

Issued and fully paid capital – S$23,399,825.76	Class of shares – Ordinary shares
Total number of issued shares – 63,098,409 (excluding treasury shares)	Voting rights – 1 vote per share
Number of treasury shares – 7,800	Number of subsidiary holdings held - Nil
% of the number of treasury shares held against the total number of issued shares (excluding treasury shares) - 0.01%	

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the information provided and to the best knowledge of the Directors, approximately 50.36% of the issued ordinary shares of the Company were held in the hands of the public as at 27 June 2023 and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NUMBER OF SHAREHOLDERS	%	NUMBER OF SHARES	%
1 - 99	3	0.60	90	0.00
100 - 1,000	341	67.79	203,020	0.32
1,001 - 10,000	95	18.89	319,100	0.51
10,001 - 1,000,000	50	9.94	6,983,592	11.07
1,000,001 and above	14	2.78	55,592,607	88.10
TOTAL	503	100.00	63,098,409	100.00

Statistics of Shareholdings

As at 27 June 2023

TWENTY LARGEST SHAREHOLDERS

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES HELD	%
1	THANG TECK JONG	17,360,385	27.51
2	PHILLIP SECURITIES PTE LTD	13,429,120	21.28
3	DBS NOMINEES PTE LTD	3,416,800	5.42
4	CITIBANK NOMINEES SINGAPORE PTE LTD	3,150,000	4.99
5	YANGTZEKIANG GARMENT LIMITED	2,543,982	4.03
6	NEO GIM KIONG	2,431,200	3.85
7	CHAN WING TO	2,149,818	3.41
8	MAYBANK SECURITIES PTE. LTD.	1,935,000	3.07
9	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,818,000	2.88
10	HO HEE TONG	1,705,800	2.70
11	DBSN SERVICES PTE LTD	1,594,600	2.53
12	KONG LING TING @ KANG LING TING	1,485,000	2.35
13	HOE KEE KOK	1,411,902	2.24
14	NG THIAM CHIN (HUANG TIANJIN)	1,161,000	1.84
15	TAN AH KOW @ TAN AH LECK	900,600	1.43
16	TAY LEONG KWEE	635,000	1.01
17	LEO YUI MEOW	535,000	0.85
18	LIM ANDY	529,200	0.84
19	OCBC SECURITIES PRIVATE LTD	500,400	0.79
20	TAN WEE LEONG	490,000	0.78
	TOTAL	59,182,807	93.80

SUBSTANTIAL SHAREHOLDERS

	Direct Interest		Deemed Interest	
Name of Substantial Shareholders	Number of Shares	%	Number of Shares	%
Thang Teck Jong (1)	17,360,385	27.51	10,777,800	17.08
Kong Ling Ting @ Kang Ling Ting (2)	1,485,000	2.35	1,800,000	2.85

Notes:

(1) Thang Teck Jong is deemed to be interested in 9,292,800 shares registered in the name of nominee accounts, namely Phillip Securities Pte Ltd, Citibank Nominees Singapore Pte Ltd, Maybank Securities Pte. Ltd. and United Overseas Bank Nominees (Private) Limited (jointly held by him and his spouse, Kong Ling Ting @ Kang Ling Ting). He is also deemed to be interested in 1,485,000 shares held by his spouse, Kong Ling Ting @ Kang Ling Ting.

(2) Kong Ling Ting @ Kang Ling Ting is deemed to be interested in 1,800,000 shares registered in the name of a nominee account, United Overseas Bank Nominees (Private) Limited (jointly held by her and her spouse, Thang Teck Jong).

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Travelite Holdings Ltd. (the "**Company**") will be held at 53 Ubi Avenue 3, Travelite Building, Singapore 408863 on Monday, 31 July 2023 at 10.30 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Statement by Directors and Audited Financial Statements for the financial year ended 31 March 2023 together with the Independent Auditor's Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fees of $65,000 for the financial year ended 31 March 2023 (2022: $65,000). **(Resolution 2)**

3. To re-elect Mr Thang Teck Jong, a Director retiring pursuant to Regulation 107 of the Company's Constitution. *(see explanatory note 1)* **(Resolution 3)**

4. To re-appoint RSM Chio Lim LLP as auditor of the Company and to authorise the Directors to fix its remuneration. **(Resolution 4)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without amendments the following resolutions which will be proposed as Ordinary Resolutions:

5. That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Listing Manual**"), the Directors be authorised and empowered to: **(Resolution 5)**

(a) (i) allot and issue shares in the share capital of 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 may at 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 while this Resolution was in force,

provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a *pro rata* basis to shareholders of the Company does not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of 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) at the time this Resolution is passed, after adjusting for:

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

(b) new Shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual; and

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

Adjustments in accordance with sub-paragraphs (2)(a) and (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST), the Companies Act and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company at a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

(see explanatory note 2)

6. That: **(Resolution 6)**

(a) for the purposes of Sections 76C and 76E of the Companies Act, the Directors be authorised to exercise all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") on the SGX-ST; and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other provisions of the Companies Act and the Listing Manual as may for the time being be applicable (the "**Share Buy Back Mandate**");

(b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buy Back Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;

(c) unless varied or revoked by the Company at a general meeting, the authority conferred on the Directors pursuant to the Share Buy Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next AGM of the Company is held or is required by law to be held;

(ii) the date on which the share buy back is carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buy Back Mandate is varied or revoked;

(d) for purposes of this Resolution:

"**Prescribed Limit**" means 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution unless the Company has, at any time during the Relevant Period (as hereinafter defined), effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered (excluding treasury shares and subsidiary holdings);

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, commission, stamp duty, applicable goods and services tax, and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price, where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, before the day on which the Market Purchase was made or, as the case may be, the day of making of the offer for an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five-day period, and the day on which the purchases are made;

"**day of making of the offer**" means the day on which the Company makes an offer for the purchase or acquisition of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

"**market day**" means a day on which the SGX-ST is open for trading in securities, and

(e) any of the Directors be authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Resolution.

(see explanatory note 3)

7. To transact any other business that may be properly transacted at an AGM.

BY ORDER OF THE BOARD

Wee Woon Hong
Chong Tien Chen
Company Secretaries

14 July 2023
Singapore

Explanatory Notes:

1. Mr Thang Teck Jong will, upon re-election as a Director, remain as the Executive Chairman and a member of the Audit, Nominating and Remuneration Committees of the Company. He is considered not independent for the purposes of Rule 704(8) of the Listing Manual. Please refer to the "Information on Director seeking Re-election" section of the Annual Report of the Company for the detailed information required pursuant to Rule 720(6) of the Listing Manual.

2. Ordinary Resolution 5 proposed in item 5 above, if passed, will empower the Directors, from the date of the AGM until the conclusion of the next AGM of the Company, the date by which the next AGM of the Company is required by law to be held, or the date on which such authority is varied or revoked by the Company at a general meeting, whichever is the earliest, 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, 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 20% may be issued other than on a *pro rata* basis to shareholders of the Company.

3. Ordinary Resolution 6 proposed in item 6 above, if passed, will empower the Directors, from the date of the AGM until the date on which the next AGM is held or is required by law to be held, the date on which the share buy back is carried out to the full extent mandated, or the date on which the authority contained in the Share Buy Back Mandate is varied or revoked by the Company at a general meeting, whichever is the earliest, to make purchases (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) from time to time of up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at prices up to but not exceeding the Maximum Price. 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 Shares by the Company pursuant to the Share Buy Back Mandate are set out in greater detail in the Addendum accompanying this notice.

Notes:

(i) The shareholders of the Company are invited to **attend physically** at the AGM. There will be no option for shareholders to participate virtually. Printed copies of this notice and the accompanying Annual Report, Addendum and Proxy Form will be sent to shareholders and these documents are also available on the Company's website at the URL www.etravelite.com and the SGXNet at the URL https://www.sgx.com/securities/company-announcements.

(ii) Shareholders may submit questions relating to the Annual Report, Addendum and resolutions set out in the Notice of AGM in advance:

(a) by email to thl_agm@etravelite.com; or

(b) by post to the registered office of the Company at 53 Ubi Avenue 3, Travelite Building, Singapore 408863.

All questions must be submitted by 21 July 2023.

Shareholders, including CPF and SRS investors, who wish to submit their questions by post or by email are required to indicate their full names (for individuals)/company names (for corporates), NRIC/passport/company registration numbers, contact numbers, shareholding types and number of Shares held together with their submission of questions, to the email address or office address provided. Investors who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), excluding CPF and SRS investors, should contact their respective relevant intermediaries to submit their questions based on the abovementioned instructions.

The Company will endeavour to address the substantial and relevant questions from shareholders soonest possible and in any case, not later than 48 hours before the closing date and time for the lodgement of Proxy Forms. The responses to questions from shareholders will be posted on the Company's website and the SGXNet. Any subsequent clarifications sought by the shareholders after 21 July 2023 will be addressed at the AGM. The minutes of the AGM will be published on the Company's website and the SGXNet within one month after the date of the AGM.

(iii) A shareholder who is not a relevant intermediary is entitled to appoint not more than two proxies to attend and vote at the AGM. Where such shareholder appoints two proxies, the proportion of his shareholding to be represented by each proxy shall be specified in the Proxy Form.

A shareholder who is a relevant intermediary is entitled to appoint more than two proxies to attend 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 shareholder. Where such shareholder appoints more than one proxy, the number of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

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

(iv) A proxy need not be a shareholder of the Company.

(v) The Proxy Form, duly executed together with the power of attorney or other authority, if any, under which the Proxy Form is signed or a notarially certified copy of that power of attorney or other authority (failing previous registration with the Company), must be submitted:

(a) by email to sg.is.proxy@sg.tricorglobal.com; or

(b) by post to the office of the Share Registrar at 80 Robinson Road, #11-02, Singapore 068898,

in each case, not less than 48 hours before the time appointed for holding the AGM, i.e. by 10.30 a.m. on 29 July 2023.

(vi) The Proxy Form must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

(vii) Persons who hold Shares through relevant intermediaries (including CPF and SRS investors) and wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediaries (which would include CPF agent banks and SRS operators) through which they hold such Shares at least seven working days before the AGM to submit their voting instructions in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the AGM to vote on their behalf.

(viii) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM of the Company and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's and its proxy(ies)'s or representative(s)'s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); and (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior express consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.

TRAVELITE HOLDINGS LTD.
(Registration Number 200511089K)
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT

1. CPF and SRS investors may attend and vote at the AGM in person. CPF and SRS investors who are unable to attend the AGM but would like to vote, may approach their respective CPF agent banks and SRS operators at least seven working days before the AGM to appoint the Chairman of the AGM to act as their proxy and submit their votes, in which case, such CPF and SRS investors shall be precluded from attending the AGM.
2. This Proxy Form is not valid for use by the CPF and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We*, ________________ (Name) (NRIC/Passport/Registration Number* ________________)

of ________________ (Address)
being a shareholder/shareholders* of **TRAVELITE HOLDINGS LTD.** (the "**Company**"), hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholding	
		Number of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport Number	Proportion of Shareholding	
		Number of Shares	%
Address			

or failing him, the Chairman of the Annual General Meeting ("**AGM**") of the Company as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the AGM of the Company to be held at 53 Ubi Avenue 3, Travelite Building, Singapore 408863 on Monday, 31 July 2023 at 10.30 a.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for, against or abstain from the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matter arising at the AGM and at any adjournment thereof.

NO.	RESOLUTIONS	FOR**	AGAINST**	ABSTAIN**
	ORDINARY BUSINESS			
1.	To receive and adopt the Statement by Directors and Audited Financial Statements for the financial year ended 31 March 2023 together with the Independent Auditor's Report thereon			
2.	To approve the payment of Directors' fees of $65,000 for the financial year ended 31 March 2023			
3.	To re-elect Mr Thang Teck Jong as a Director of the Company			
4.	To re-appoint RSM Chio Lim LLP as auditor of the Company and to authorise the Directors to fix its remuneration			
	SPECIAL BUSINESS			
5.	To authorise the Directors to allot and issue shares and convertible securities			
6.	To approve the renewal of Share Buy Back Mandate			

* Delete accordingly

** If you wish to exercise all your votes "For", "Against" or "Abstain", please indicate with a tick [√] within the boxes provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ________ day of ________________ 2023

Total Number of Shares in	Number of Shares
(a) Depository Register	
(b) Register of Members	

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. If the shareholder has shares entered against his name in the Depository Register, he should insert that number of shares. If the shareholder has shares registered in his name in the Register of Members, he should insert that number of shares. If the shareholder has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this Proxy Form will be deemed to relate to all the shares held by the shareholder.

2. A shareholder who is not a relevant intermediary is entitled to appoint not more than two proxies to attend and vote at the AGM. Where such shareholder appoints two proxies, the proportion of his shareholding to be represented by each proxy shall be specified in this Proxy Form. If the proportion of his shareholding is not specified, the first named proxy shall be deemed to represent 100% of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.

   A shareholder who is a relevant intermediary is entitled to appoint more than two proxies to attend 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 shareholder. Where such shareholder appoints more than one proxy, the number of shares in relation to which each proxy has been appointed shall be specified in this Proxy Form.

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

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

4. This Proxy Form, duly executed, must be submitted: (i) by email to sg.is.proxy@sg.tricorglobal.com; or (ii) by post to the office of the Share Registrar at 80 Robinson Road, #11-02, Singapore 068898, in each case, not less than 48 hours before the time appointed for holding the AGM i.e. by 10.30 a.m. on 29 July 2023.

5. The appointment of a proxy or proxies shall not preclude a shareholder from attending and voting in person at the AGM. If a shareholder attends the AGM in person, the appointment of a proxy or proxies shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy or proxies to the AGM.

6. This Proxy Form must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

7. Where this Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or other authority or a notarially certified copy thereof (failing previous registration with the Company) must be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.

8. A corporation which is a shareholder may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967.

9. Persons who hold shares through relevant intermediaries (including CPF and SRS investors) and wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediaries (which would include CPF agent banks and SRS operators) through which they hold such shares at least seven working days before the AGM to submit their voting instructions in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the AGM to vote on their behalf.

10. The Company shall be entitled to reject this Proxy Form 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 this Proxy Form (including any related attachment). In addition, in the case of a shareholder whose shares are entered in the Depository Register, the Company may reject any Proxy Form lodged if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this Proxy Form, the shareholder is deemed to have accepted and agreed to the personal data privacy terms set out in the notice of AGM of the Company dated 14 July 2023.


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毅馬

Travelite Holdings Ltd.
Company Registration No.: 200511089K

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