



**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

**Unaudited Second Quarter Financial Statement**

**For the Financial Period Ended 30 September 2017**

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

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**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group (Unaudited)			Group (Unaudited)		
	2Q2018 S\$'000	2Q2017 S\$'000	Change %	1H2018 S\$'000	1H2017 S\$'000	Change %
<b>Revenue</b>	23,225	25,026	(7)	53,571	52,909	1
Cost of sales	(17,266)	(17,701)	(2)	(39,447)	(37,721)	5
<b>Gross profit</b>	5,959	7,325	(19)	14,124	15,188	(7)
Other operating income	11	360	(97)	15	377	(96)
Distribution costs	(4,275)	(5,353)	(20)	(9,383)	(11,487)	(18)
Administrative expenses	(1,223)	(1,210)	1	(2,629)	(2,403)	9
Other operating expenses	(304)	(157)	94	(740)	(434)	71
Share of profit/(loss) of associated company	107	(6)	nm	87	100	(13)
Finance costs	(60)	(96)	(38)	(111)	(155)	(28)
<b>Profit before tax</b>	215	863	(75)	1,363	1,186	15
Income tax expense	(20)	(51)	(61)	(134)	(99)	35
<b>Net profit</b>	195	812	(76)	1,229	1,087	13
<b>Other comprehensive income</b>						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Foreign currency translation	(32)	17	nm	(56)	15	nm
Share of other comprehensive loss of associated company	(114)	62	nm	(177)	61	nm
<b>Total comprehensive income</b>	49	891	nm	996	1,163	(14)

nm – not meaningful

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**1(a)(ii) Notes to Consolidated Statement of profit or loss and other comprehensive Income**

Profit before income tax is arrived after (charging)/ crediting the following:

	<b>Group (Unaudited)</b>			<b>Group (Unaudited)</b>		
	<b>2Q2018</b>	<b>2Q2017</b>	<b>Change</b>	<b>1H2018</b>	<b>1H2017</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Interest income from pawnbroking business	278	232	20	578	449	29
Net foreign currency exchange loss	(167)	(121)	38	(369)	(454)	(19)
(Loss)/gain on disposal of fixed assets	–	–	–	(2)	1	nm
Interest expense on bank borrowings	(60)	(96)	(38)	(111)	(155)	(28)
Depreciation of fixed assets	(212)	(250)	(15)	(442)	(458)	3
Amortisation of trademarks	(35)	(35)	–	(70)	(70)	–

nm – not meaningful

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	<b>Group</b>		<b>Company</b>	
	<b>30.09.2017</b>	<b>31.03.2017</b>	<b>30.09.2017</b>	<b>31.03.2017</b>
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b><u>ASSETS</u></b>				
<b>Current assets</b>				
Inventories	87,344	83,349	–	–
Trade and other receivables	42,293	48,384	14,566	14,089
Prepayments	132	121	13	19
Cash and bank balances	10,391	10,340	1,729	2,935
<b>Total current assets</b>	<b>140,160</b>	<b>142,194</b>	<b>16,308</b>	<b>17,043</b>
<b>Non-current assets</b>				
Investment in subsidiaries	–	–	82,076	82,076
Investment in associated company	5,472	5,563	–	–
Fixed assets	5,269	5,772	–	–
Trademark	915	985	–	–
Non-current other receivables	1,090	1,098	–	–
<b>Total non-current assets</b>	<b>12,746</b>	<b>13,418</b>	<b>82,076</b>	<b>82,076</b>
<b>Total assets</b>	<b>152,906</b>	<b>155,612</b>	<b>98,384</b>	<b>99,119</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Current liabilities</b>				
Dividend payable	867	–	867	–
Bank borrowings	7,374	10,817	–	–
Hire purchase	106	106	–	–
Trade and other payables	40,989	40,624	463	962
Income tax payable	588	521	–	–
<b>Total current liabilities</b>	<b>49,924</b>	<b>52,068</b>	<b>1,330</b>	<b>962</b>
<b>NET CURRENT ASSETS</b>	<b>90,236</b>	<b>90,126</b>	<b>14,978</b>	<b>16,081</b>
<b>Non-current liabilities</b>				
Bank borrowings	486	1,067	–	–
Hire purchase	253	299	–	–
Deferred tax liabilities	245	245	–	–
Provision	246	310	–	–
<b>Total non-current liabilities</b>	<b>1,230</b>	<b>1,921</b>	<b>–</b>	<b>–</b>
<b>Total Liabilities</b>	<b>51,154</b>	<b>53,989</b>	<b>1,330</b>	<b>962</b>
<b>NET ASSETS</b>	<b>101,752</b>	<b>101,623</b>	<b>97,054</b>	<b>98,157</b>

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year (cont'd)**

	<b>Group</b>		<b>Company</b>	
	<b>30.09.2017</b>	<b>31.03.2017</b>	<b>30.09.2017</b>	<b>31.03.2017</b>
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	96,719	96,719	96,719	96,719
Merger reserve	(64,502)	(64,502)	–	–
Treasury shares	(698)	(698)	(698)	(698)
Translation reserve	461	694	–	–
Legal reserve	55	55	–	–
Retained earnings	69,716	69,354	1,032	2,136
<b>Equity attributable to equity holders</b>	<b>101,751</b>	<b>101,622</b>	<b>97,053</b>	<b>98,157</b>
<b>Non-controlling interest</b>	<b>1</b>	<b>1</b>	<b>–</b>	<b>–</b>
<b>Total Equity</b>	<b>101,752</b>	<b>101,623</b>	<b>97,053</b>	<b>98,157</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

Amount repayable in one year or less, or on demand

	<b>30.09.2017</b>		<b>31.03.2017</b>	
	<b>(Unaudited)</b>		<b>(Audited)</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Amount repayable in one year or less, or on demand	283	7,197	1,289	9,634
Amount repayable after one year	406	333	533	833
	<b>689</b>	<b>7,530</b>	<b>1,822</b>	<b>10,467</b>

**Details of any collateral:**

1. Bank borrowings of \$0.33 million (31 March 2017: \$0.42 million) are secured by first mortgage over a leasehold property owned by a subsidiary of the Group.
2. Short term bank loan of \$ nil million (31 March 2017: \$1.0 million) is secured by a subsidiary's cash account and a fixed and floating charge on all present and future assets of the subsidiary.
3. The balance of the Group's secured borrowings relates to hire purchase facilities secured against the respective motor vehicles.

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**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	<b>Group (Unaudited)</b>		<b>Group (Unaudited)</b>	
	<b>2Q2018</b>	<b>2Q2017</b>	<b>1H2018</b>	<b>1H2017</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>				
Profit before tax	215	863	1,363	1,186
Adjustments for:				
Depreciation of fixed assets	212	250	442	458
Amortisation of trademarks	35	35	70	70
Interest expense	60	96	111	155
Share of (profit)/loss of associated company	(107)	6	(87)	(100)
Unrealised exchange gain	(32)	(153)	(49)	(428)
Loss/(gain) on disposal of fixed assets	–	–	2	(1)
<b>Operating cash flows before movements in working capital</b>	<b>383</b>	<b>1,097</b>	<b>1,852</b>	<b>1,340</b>
(Increase)/decrease in trade and other receivables and prepayments	(36)	5,245	5,217	11,279
(Increase)/decrease in inventories	(3,346)	(2,654)	(3,993)	395
Increase/(Decrease) in trade and other payables	4,042	(1,996)	1,378	(14,098)
(Decrease)/Increase in bills payable	(569)	289	(464)	897
<b>Cash flows generated from/(used in) from operations</b>	<b>474</b>	<b>1,981</b>	<b>3,990</b>	<b>(187)</b>
Interest paid	(60)	(83)	(111)	(142)
Income tax paid, net	(43)	(492)	(67)	(487)
<b>Net cash generated from/(used in) operating activities</b>	<b>371</b>	<b>1,406</b>	<b>3,812</b>	<b>(816)</b>
<b>Investing activities</b>				
Proceeds from disposal of fixed assets	–	–	81	26
Purchase of fixed assets	(33)	(163)	(95)	(570)
<b>Net cash used in investing activities</b>	<b>(33)</b>	<b>(163)</b>	<b>(14)</b>	<b>(544)</b>
<b>Financing activities</b>				
Proceeds from bank borrowings	1,000	800	2,500	2,300
Repayment of bank borrowings	(1,960)	(668)	(6,060)	(3,237)
Repayment of hire purchase	(27)	(27)	(46)	(43)
Share buyback exercise	–	(649)	–	(698)
<b>Net cash flows used in financing activities</b>	<b>(987)</b>	<b>(544)</b>	<b>(3,606)</b>	<b>(1,678)</b>
Net (decrease)/increase in cash and cash equivalents	(649)	699	192	(3,038)
Net effect of exchange rates changes on the balance cash held in foreign currencies	(101)	16	(141)	13
Cash and cash equivalents at beginning of the financial period	11,141	8,969	10,340	12,709
<b>Cash and cash equivalents at end of the financial period</b>	<b>10,391</b>	<b>9,684</b>	<b>10,391</b>	<b>9,684</b>

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- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share Capital	Merger reserve	Treasury shares	Foreign currency translation reserve	Retained earnings	Legal reserve	Non Controlling Interest	Total Equity
Group (Unaudited) As at 1 April 2017	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	96,719	(64,502)	(698)	694	69,354	55	1	101,623
Profit for the period	–	–	–	–	1,034	–	–	1,034
<b>Other comprehensive income</b>								
Foreign currency translation	–	–	–	(24)	–	–	–	(24)
Share of other comprehensive loss of associated company	–	–	–	(63)	–	–	–	(63)
	–	–	–	(87)	1,034	–	–	947
<b>As at 30 June 2017</b>	<b>96,719</b>	<b>(64,502)</b>	<b>(698)</b>	<b>607</b>	<b>70,388</b>	<b>55</b>	<b>1</b>	<b>102,570</b>
Profit for the period	–	–	–	–	195	–	–	195
<b>Other comprehensive income</b>								
Foreign currency translation	–	–	–	(32)	–	–	–	(32)
Share of other comprehensive loss of associated company	–	–	–	(114)	–	–	–	(114)
	–	–	–	(146)	195	–	–	49
<b>Contributions by and distributions to owners</b>								
Dividend on ordinary share	–	–	–	–	(867)	–	–	(867)
					(867)			(867)
<b>As at 30 September 2017</b>	<b>96,719</b>	<b>(64,502)</b>	<b>(698)</b>	<b>461</b>	<b>69,716</b>	<b>55</b>	<b>1</b>	<b>101,752</b>

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Share Capital	Merger reserve	Treasury shares	Foreign currency translation reserve	Retained earnings	Legal reserve	Total Equity
Group (Unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>As at 1 April 2016</b>	96,719	(64,502)	—	430	69,362	55	102,064
Profit for the period	—	—	—	—	275	—	275
<b>Other comprehensive income</b>							
Foreign currency translation	—	—	—	(3)	—	—	(3)
	—	—	—	(3)	275	—	272
<b>Contributions by and distributions to owners</b>							
Share buyback exercise	—	—	(49)	—	—	—	(49)
	—	—	(49)	—	—	—	(49)
<b>As at 30 June 2016</b>	96,719	(64,502)	(49)	427	69,637	55	102,287
Profit for the period	—	—	—	—	812	—	812
<b>Other comprehensive income</b>							
Foreign currency translation	—	—	—	79	—	—	79
	—	—	—	79	812	—	891
<b>Contributions by and distributions to owners</b>							
Share buyback exercise	—	—	(649)	—	—	—	(649)
Dividends on ordinary share	—	—	—	—	(2,170)	—	(2,170)
	—	—	(649)	—	(2,170)	—	(2,819)
<b>As at 30 September 2016</b>	<b>96,719</b>	<b>(64,502)</b>	<b>(698)</b>	<b>506</b>	<b>68,279</b>	<b>55</b>	<b>100,359</b>



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**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)**

<b>Company (Unaudited)</b>	<b>Share Capital  S\$'000</b>	<b>Treasury shares  S\$'000</b>	<b>Retained earnings  S\$'000</b>	<b>Total Equity  S\$'000</b>
As at 1 April 2017	96,719	(698)	2,136	98,157
Profit for the period	—	—	(78)	(78)
<b>Total comprehensive income</b>	—	—	(78)	(78)
<b>As at 30 June 2017</b>	<b>96,719</b>	<b>(698)</b>	<b>2,058</b>	<b>98,079</b>
Profit for the period	—	—	(159)	(159)
<b>Total comprehensive income</b>	—	—	(159)	(159)
Dividends on ordinary share	—	—	(867)	(867)
<b>As at 30 September 2017</b>	<b>96,719</b>	<b>(698)</b>	<b>1,032</b>	<b>97,053</b>

<b>Company (Unaudited)</b>	<b>Share Capital  S\$'000</b>	<b>Retained earnings  S\$'000</b>	<b>Treasury Shares  S\$'000</b>	<b>Total Equity  S\$'000</b>
<b>As at 1 April 2016</b>	96,719	2,887	—	99,606
Profit for the period	—	(110)	—	(110)
<b>Total comprehensive income</b>	—	(110)	—	(110)
<u>Contributions by and distributions to owners</u>				
Share buyback exercise	—	—	(49)	(49)
<b>As at 30 June 2016</b>	<b>96,719</b>	<b>2,777</b>	<b>(49)</b>	<b>99,447</b>
Profit for the period	—	(51)	—	(51)
<b>Total comprehensive income</b>	—	(51)	—	(51)
<u>Contributions by and distributions to owners</u>				

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Share buyback exercise	–	–	(649)	(649)
Dividends on ordinary share	–	(2,170)	–	(2,170)
	–	(2,170)	(649)	(2,819)
<b>As at 30 September 2016</b>	<b>96,719</b>	<b>556</b>	<b>(698)</b>	<b>96,577</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	<b>Number of Shares</b>	<b>Share capital (S\$'000)</b>
<b>As at 30 September 2017</b>	559,406,000	96,021
<b>As at 30 June 2017</b>	559,406,000	96,021

The Company did not have any outstanding options or convertibles as at 30 September 2017 and 30 September 2016.

	<b>30.09.2017</b>	<b>30.09.2016</b>
Number of issued shares held as treasury shares	6,100,000	6,100,000
Number of issued shares held as subsidiary holdings	–	–
Total number of issued shares excluding treasury shares and subsidiary holdings	559,406,000	559,406,000

Accordingly the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed is 1.1% and 1.1% as at 30 September 2017 and 30 September 2016 respectively.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	<b>30.09.2017</b>	<b>31.03.2017</b>
Total number of issued shares excluding treasury shares	559,406,000	559,406,000

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. There were no sales, transfers, cancellations and/or use of treasury shares during the financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. There were no sales, transfers, cancellations and/or use of subsidiary holdings during the financial period reported on.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of financial statements for the current financial period as those of the audited consolidated financial statements for the financial year ended 31 March 2017.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group adopted a number of new Financial Reporting Standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 April 2017. The adoption of these new standards, amendments to standards and interpretations did not result in any significant impact to the Group's and the Company's financial statements for the current financial period reported on.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

<b>(Unaudited)</b>	<b>2Q 2018</b>	<b>2Q 2017</b>	<b>1H 2018</b>	<b>1H 2017</b>
Profit attributable to equity holders of the Company (S\$'000)	195	812	1,229	1,087
Weighted average number of ordinary shares used in the computation of basic and diluted EPS ('000)	559,406	561,693	559,406	563,523
Basic and diluted earnings per share (Singapore cents)	0.03	0.14	0.22	0.19

*Note:*

1. The weighted average number of shares of the Company is calculated based on the adjusted share capital after taking into account of the share buybacks in the respective financial periods, if any.
2. The basic and diluted earnings per share are the same as there were no potential dilutive ordinary shares existing during the financial periods.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) Current period reported on; and (b) Immediately preceding financial year.**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30.09.2017 Unaudited</b>	<b>31.03.2017 Audited</b>	<b>30.09.2017 Unaudited</b>	<b>31.03.2017 Audited</b>
Net asset value per ordinary share (Singapore cents)	18.19	18.17	17.35	17.55
Number of issued shares (excluding treasury shares) (S\$'000)	559,406	559,406	559,406	559,406

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-**
- any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

**Review of the Income Statement of the Group**
**Revenue**

	<b>GROUP</b>		
	<b>2Q 2018</b>	<b>2Q 2017</b>	<b>Change</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Retail and pawnbroking business	13,785	14,562	(5)
Exhibition business	9,440	10,464	(10)
<b>Total</b>	<b>23,225</b>	<b>25,026</b>	<b>(7)</b>

Revenue decreased by 7% from \$25.0 million in 2Q 2017 to \$23.2 million in 2Q 2018 mainly due to a decrease in revenue from both business segments.

Revenue for retail and pawnbroking business decreased by 5% from \$14.6 million to \$13.8 million, mainly due to a continued challenging retail market.

Revenue for the exhibition business decreased by 10% from \$10.5 million to \$9.4 million, mainly due to the deferment of a major international exhibition to early October 2017 ("**Major Exhibition**"), whilst the same exhibition was previously held in 2Q 2017.

**Cost of sales**

Cost of sales decreased by \$0.4 million or 2% to \$17.3 million in 2Q 2018.

**Gross profit and gross profit margin**

Gross profit decreased by approximately \$1.3 million or 19% to \$6.0 million in 2Q 2018 mainly due to a lower gross profit margin. Gross profit margin decreased from 29.3% in 2Q 2017 to 25.7% in 2Q 2018 due to a different product mix sold in 2Q 2018, which consisted of a higher volume of low-margin products.

**Distribution costs**

Distribution costs decreased by approximately \$1.1 million or 20%, to \$4.3 million in 2Q 2018 mainly due to lower sales commission, lower rental expense from location rationalisation of the retail outlets, and lower advertising & promotion expenses incurred during the financial period.

**Other operating expenses**

Other operating expenses increased by approximately \$0.1 million in 2Q 2018 mainly due to higher provisions made for doubtful debt during the financial period.

**Net profit**

As a result of the foregoing, the Company's net profit decreased by approximately \$0.6 million to \$0.2 million in 2Q 2018.

**Review of Financial Position of the Group****Non-current assets**

Non-current assets decreased by approximately \$0.7 million or 5% from \$13.4 million as at 31 March 2017 to \$12.7 million as at 30 September 2017 mainly due to the disposal of fixed assets and depreciation of fixed assets during the financial period.

**Current assets**

Current assets decreased by approximately \$2.0 million or 1% from \$142.2 million as at 31 March 2017 to \$140.2 million as at 30 September 2017, mainly due to a decrease in trade and other receivables offset by an increase in inventories.

The decrease in trade and other receivables was due to higher collections during the financial period.

The increase in inventories was due to higher finished goods for the upcoming Major Exhibition.

**Current liabilities**

Current liabilities decreased by \$2.2 million or 4% from \$52.1 million as at 31 March 2017 to \$49.9 million as at 30 September 2017, mainly due to repayments of short term bank borrowings during the financial period, offset by an increase of dividend payable in respect of the financial year ended 31 March 2017 and an increase of trade and other payables of \$0.4 million.

**Non-current liabilities**

Non-current liabilities decreased by \$0.7 million or 36% from \$1.9 million as at 31 March 2017 to \$1.2 million as at 30 September 2017 mainly due to repayment of bank borrowings during the financial period.

**Working capital**

The Group had a positive working capital of approximately \$90.2 million as at 30 September 2017, compared to approximately \$90.1 million as at 31 March 2017.

**Review of the Cash Flow Statement of the Group****Net cash from operating activities**

In 2Q 2018, we recorded a net cash generated from operating activities of \$0.4 million which was a net result of operating cash flow before working capital changes of \$0.4 million, adjusted for net working capital changes of \$0.1 million.

The net working capital inflow was mainly due to the following:

- (a) Increase in trade and other payables of \$4.0 million;
- (b) Increase in inventories of \$3.3 million; and
- (c) Decrease in bills payable of \$0.6 million.

**Net cash from financing activities**

Net cash used in financing activities amounted to \$1.0 million mainly due to net repayment of bank borrowings.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable. No forecast or prospect statements has been previously disclosed to shareholders.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

With a weak outlook in both the global jewellery industry and luxury retail market, the Group's business environment is expected to remain challenging in 2018.

The Group will stay focused on the long term development of our local and global business interests, ready for a strong recovery when market conditions improve. In the short term, we will continue to consolidate our local retail networks through an assessment of the performance of individual outlets and our overall business strategy.

Moving forward, the Management will continue to monitor regional markets and related industries for potential investments and expansion opportunities, tapping on our internal resources and operating experience when needed.

**11. Dividend**

**(a) Any dividend declared for the current financial period reported on?**

None.

**(b) Any dividend declared for the corresponding period of the immediately preceding financial year?**

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared/recommended for the current financial period reported on.

**13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

There were no other IPT of \$100,000 and above for the current financial period reported on.

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

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.



**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

**Unaudited Second Quarter Financial Statement**

**For the Financial Period Ended 30 September 2017**

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**15. Negative Confirmation of Interim Financial Results Pursuant to Rule 705(5) of the Catalist Listing Manual**

The Board of Directors of the Company confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the second quarter ended 30 September 2017 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

**TLV Holdings Limited**

**Teo Boon Leng**

Managing Director

10 November 2017