BONVESTS HOLDINGS LIMITED

ANNUAL REPORT 2022

TABLE OF CONTENTS

CORPORATE PROFILE

BONVESTS HOLDINGS LIMITED

Founded in 1982, Bonvests Holdings Limited is listed on the main board of the Singapore Exchange.

The Group, with over 30 years of experience, has established a sound reputation for quality and service in each of its core businesses.

THE GROUP'S 3 CORE BUSINESSES ARE:

PROPERTY
INVESTMENT & DEVELOPMENT

HOTEL
OWNERSHIP & MANAGEMENT

WASTE
MANAGEMENT & CONTRACT CLEANING

In Singapore, Bonvests owns and manages prime commercial properties, including its flagship building, Liat Towers at Orchard Road.

Cenizaro Hotels and Resorts, the hospitality arm of Bonvests, is a leading international property and hospitality company with a portfolio of independent luxury hotel properties in some of the world's most desirable locations. The Residence by Cenizaro hotels and resorts are located in Tunis, Mauritius, Zanzibar, Maldives and Bintan. In addition, the Group's hotel portfolio includes La Maison Arabe, Marrakech, Riad Elegancia, Marrakech, Sheraton Towers Singapore and Four Points by Sheraton Perth. Located next to The Residence Tunis, designed by Robert Trent Jones II, the 18-hole Residence Golf Course is a veritable jewel set between the sea and a salt lake, at the heart of a nature reserve where migrating birds and wildlife abound.

In addition, Bonvests owns Colex Holdings Limited, one of Singapore's leading waste management and contract cleaning companies.

BOARD OF DIRECTORS & CORPORATE DATA

BOARD OF DIRECTORS
MR HENRY NGO Executive Chairman
MR ANDY XIE GUOYUAN Joint Managing Director
MR GARY XIE GUOJUN Joint Managing Director
MR CHEW HENG CHING Independent Director
MR FONG HENG BOO Independent Director
MR BENEDICT TEO LIP HUA Independent Director

AUDIT COMMITTEE
MR FONG HENG BOO Chairman
MR CHEW HENG CHING
MR BENEDICT TEO LIP HUA

NOMINATING COMMITTEE
MR CHEW HENG CHING Chairman
MR HENRY NGO
MR FONG HENG BOO
MR BENEDICT TEO LIP HUA

REMUNERATION COMMITTEE
MR BENEDICT TEO LIP HUA Chairman
MR CHEW HENG CHING
MR FONG HENG BOO

REGISTERED OFFICE
541 Orchard Road | #16-00 Liat Towers | Singapore 238881
Telephone: (65) 6732 5533
Facsimile: (65) 6738 3092
Website: www.bonvests.com.sg
Email: InvestorRelations@Bonvests.com.sg
Company Registration No. 196900282M

REGISTRAR
KCK CORPSERVE PTE LTD
1 Raffles Place | #04-63 One Raffles Place | Tower 2
Singapore 048616

COMPANY SECRETARY
MS FOO SOON SOO

AUDITORS
PRICEWATERHOUSECOOPERS LLP
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936
Partner-in-charge: Kok Moi Lre
Year of appointment: 2022

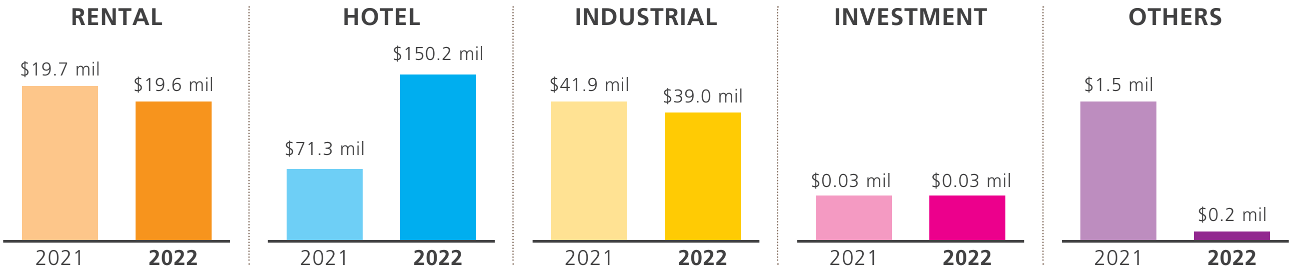
PRINCIPAL BANKERS
DBS BANK LIMITED, SINGAPORE

OVERSEA-CHINESE BANKING CORPORATION LIMITED, SINGAPORE

UNITED OVERSEAS BANK LIMITED, SINGAPORE

FINANCIAL HIGHLIGHTS

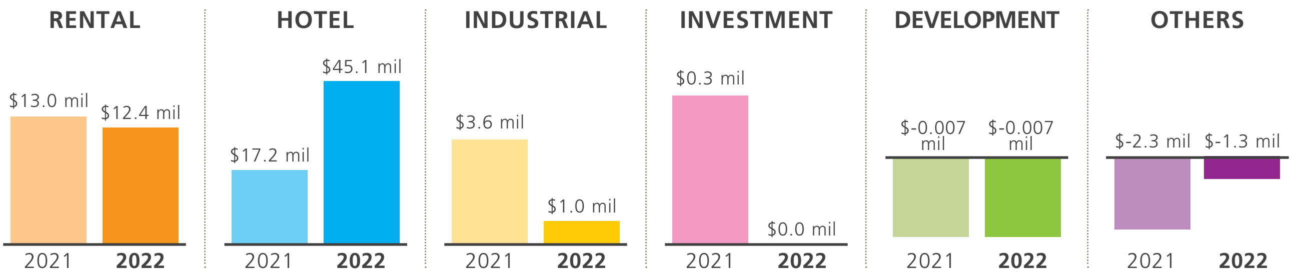
SEGMENT REVENUE



GROUP REVENUE BY BUSINESS SEGMENTS

	2022 $'000	2022 %	2021 $'000	2021 %
Rental	19,624	9.4%	19,663	14.6%
Hotel	150,172	71.8%	71,323	53.1%
Industrial	39,012	18.7%	41,877	31.2%
Investment	28	0.0%	28	0.0%
Others	188	0.1%	1,523	1.1%
	209,024	100.0%	134,414	100.0%

SEGMENT RESULTS



GROUP RESULTS BY BUSINESS SEGMENTS

	2022 $'000	2022 %	2021 $'000	2021 %
Rental	12,377	21.7%	12,978	40.8%
Hotel	45,056	78.9%	17,204	54.2%
Industrial	987	1.7%	3,568	11.2%
Investment	9	0.0%	317	1.0%
Development	(7)	0.0%	(7)	0.0%
Others	(1,329)	-2.3%	(2,302)	-7.2%
	57,093	100.0%	31,758	100.0%

Segment results is defined as earnings before interest, tax, depreciation and amortisation, and excluding revaluation gain/loss on investment properties, re-development related costs, termination benefits, acquisition costs and impairment recognised. (Refer to page 134 to 137 for details.)

FINANCIAL HIGHLIGHTS

	2022 $'000	2021 $'000	2020 $'000	2019 $'000	2018 $'000
Income Statement					
Revenue	**209,024**	134,414	120,588	227,778	224,732
Profit/(Loss) before Taxation and Non-Controlling Interests	**26,000**	9,690	(41,450)	9,868	17,891
Profit/(Loss) after Taxation and Non-Controlling Interests	**20,723**	12,250	(41,211)	3,815	12,165
Profit/(Loss) after Taxation and Non-Controlling Interests and excluding Revaluation Gain/(Loss) on Investment Properties, Deferred Tax on Revaluation, Allowance for Impairment of property, plant and equipment ("PPE") and Goodwill, Redevelopment and Acquisition costs and Termination benefits incurred	**10,913**	(5,804)	(29,004)	7,332	13,803
Balance sheet					
Property, Plant and Equipment and Investment Properties	**1,204,782**	1,231,966	1,215,063	1,229,200	1,139,050
Net Current Liabilities	**(113,935)**	(303,427)	(135,401)	(146,051)	(198,844)
Shareholders' Funds	**842,237**	847,614	834,627	876,656	877,713
Non-Controlling Interests	**3,569**	6,280	6,653	9,203	8,837
Short-term Borrowings	**134,447**	336,045	166,450	188,560	251,180
Long-term Borrowings	**210,528**	43,798	209,041	150,941	66,364
Per Share Information					
Gross Dividend Per Share (cents)	**1.60**	0.75	0.3	–	1.60
Earnings Per Share (cents)	**5.161**	3.051	(10.264)	0.950	3.029
Net Asset Value Per Share ($)	**2.10**	2.11	2.08	2.18	2.19
Dividend Cover (times)	**3.23**	4.07	(34.21)	–	1.89
Key Ratios					
Gearing Ratio	**0.29**	0.31	0.31	0.28	0.26
Debt to Equity Ratio	**0.41**	0.44	0.45	0.38	0.36
Return on Shareholders' Funds (%)	**2.5**	1.5	(4.8)	0.4	1.4

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

I am pleased to report the FY2022 results of the Group.

FINANCIAL AND OPERATING PERFORMANCE

During the year under review, the Group's earnings before interest, tax, depreciation and amortisation excluding fair value gain/loss on investment properties, re-development related costs and termination benefits (hereinafter referred to as "EBITDA") of $57.093 million increased by 79.8% as compared to FY2021 EBITDA of $31.758 million. This was mainly due to higher contribution from Hotel Division.

The Group posted profit after taxation and non-controlling interests of $20.723 million in FY2022 as compared to $12.250 million in FY2021 mainly due to higher EBITDA mentioned above and lower depreciation expenses, partially offset by lower net fair value gains on investment properties and higher finance costs.

The Group's revenue increased by 55.5% to $209.024 million in FY2022 from $134.414 million in FY2021 mainly due to higher revenue from the Hotel Division.

RENTAL DIVISION

Revenue decreased marginally by 0.2% to $19.624 million in FY2022 from $19.663 million in FY2021. Accordingly, segment EBITDA decreased by 4.6% to $12.377 million from $12.978 million in FY2021 mainly due to higher utilities.

HOTEL DIVISION

Revenue increased by 110.6% to $150.172 million in FY2022 from $71.323 million in FY2021 as countries relax their border controls and travel restrictions. Segment EBITDA of $45.056 million for FY2022 as compared to segment EBITDA of $17.204 million for FY2021 mainly due to higher revenue partially offset by higher materials and consumables purchased, energy and employee benefit costs.

INDUSTRIAL DIVISION

Revenue for the Industrial Division decreased by 6.8% to $39.012 million in FY2022 from $41.877 million in FY2021 mainly due to termination of contracts, fewer new contracts secured, non-renewal of contracts upon expiry and rollover effects of contracts expired during FY2022 for both the waste disposal and contract cleaning businesses. Segment EBITDA of $0.987 million in FY2022 decreased by 72.3% from $3.568 million for FY2021 mainly due to decrease in revenue and government grants partially offset by lower operating expenses.

INVESTMENT DIVISION

Revenue for the Investment Division of S$0.028 million for FY2022 was the same as FY2021. These were dividends received from investments in quoted equity investments. Segment EBITDA of S$0.009 million for FY2022 decreased by S$0.308 from S$0.317 million for FY2021 mainly due to the absence of fair value gains on financial assets at fair value through profit or loss upon early partial redemption of the convertible bond in FY2021.

DEVELOPMENT DIVISION

There was no revenue in FY2022. Segment negative EBITDA of $0.007 million was due to general and administrative expenses incurred.

EARNINGS PER SHARE AND NET ASSET VALUE PER SHARE

Earnings per share was 5.161 cents in FY2022 as compared to 3.051 cents in FY2021. Net asset value per share of $2.10 as at 31 December 2022 was slightly lower as compared to $2.11 as at 31 December 2021.

BUSINESS OUTLOOK

Income from the Rental Division is expected to improve gradually as Singapore's COVID situation stabilises.

The operating environment in the countries in which the Hotel Division operates are expected to remain challenging. Construction for the hotels in Douz, Tunisia and Medina of Tunis, Tunisia are ongoing and barring any unforeseen circumstances, both hotels are scheduled for operational completion in the second half of 2023 and 2024 respectively.

The Group will remain financially prudent and implement cost savings as required, and maintain operational agility to conserve essential resources.

DIVIDEND

For the financial year ended 31 December 2022, the Board recommends a final dividend of 1.60 cents 1-tier tax exempt per ordinary share. The proposed final dividend, if approved at the forthcoming Annual General Meeting to be held on 26 April 2023, will be paid on 26 May 2023.

APPRECIATION

I take this opportunity to express my sincere appreciation to my fellow Board members for their guidance, counsel and dedication.

On behalf of the Board of Directors, I would like to thank our shareholders, customers, suppliers and business associates for their continued support and our dedicated staffs for their hard work and commitment.

HENRY NGO
Chairman
6 April 2023

PROPERTY

BONVESTS has established itself as an experienced player in the property leasing and management industry for more than 30 years. Bonvests' commercial real estate portfolio comprises business-related office and retail space in Singapore, Australia and Tunisia. We take pride in managing our diverse property portfolio to enhance the experience of our building tenants and visitors. Coupled with an in-depth knowledge of market forces and a sound understanding of asset enhancing strategies, Bonvests continues to maintain good rental yields and occupancy levels across our properties. With a strong foundation, the Group will remain committed to seeking quality projects and opportunities to develop them with innovation.

Photo courtesy of Masao Nishikawa

SINGAPORE

Strategically located within the prime tourist and shopping belt of Orchard Road well-connected to public transportation networks, our flagship property, Liat Towers, remains a desirable location for office and retail. Following the façade enhancement works completed in 2016, we embarked on a green project to upgrade chiller plants and install energy-efficient lighting at Liat Towers, with such efforts expected to yield considerable energy savings and improve environmental performance. We continue to strengthen our property leasing and management team to uphold high standards in all aspects from building maintenance, daily operations to tenant support and service. Such measures ensure that we are ready to face challenges in the retail and office leasing market.

PROPERTY

TUNISIA
Featuring a spacious, distinctive modern building with arched ceilings, indoor gardens and natural daylight pouring through glass façade atriums; the landmark Gammarth Centre in the heart of Carthage boasts a diverse yet bespoke mix of stylish and vibrant local and international retailers. Looking out into tranquil greenery, with relaxation spaces for the enjoyment of shoppers, Gammarth Centre offers an exclusive blend of quality lifestyle, food and beverage and retail experiences. With over 4,500sqm of retail space, featuring good frontage, this shopping centre enjoys close to 100 per cent occupancy.

PROPERTY

AUSTRALIA

The strategic acquisition of all 20 commercial units of Murray Fair along Murray Street was completed in year 2020. Located within the same city block as the group's Four Points by Sheraton Perth hotel opposite the Perth Arena and amalgamated sites adjacent to the hotel, they anchor the Western corner of Perth CBD, fronting both Murray Street and Wellington Street, next to Kings Square and the Perth City Link project offer unparalleled access to the Mitchel Freeway, linking Perth CBD and the suburbs.

HOTEL

THE RESIDENCE
TUNIS

by Cenizaro®

The elegance of Arab-Andalucian architecture combines with exceptional service at The Residence Tunis. Set on a private stretch of beach on the shores of the Mediterranean, just outside the ancient city of Tunis, the hotel is a true North African retreat. Guests are offered tantalising cuisine, with three different restaurants, from Mediterranean cuisine at L'Olivier and Chinese delicacies at Li Bai to traditional Tunisian dishes at El Dar. Keen golfers will be kept happy with the hotel's magnificent par-72 course designed by Robert Trent Jones II – while beginners can head to the Golf Academy de Gammarth to be trained like a pro. A true haven of relaxation, the hotel's magnificent Spa by Clarins and Thalasso centre offers 4,000sqm for rejuvenating therapies. There is plenty of time to explore the fascinating city of Tunis, relax by the pool, disappear into the spa and make the most of the hotel's services.

FOR LEISURE OR BUSINESS

- Discover the compelling Medina of Tunis, a UNESCO World Heritage site, the ruins of Carthage and the 12th century village of Sidi Bou Said.
- Explore the orchards of Cap Bon, the vineyards of Mornag and Kelibia, the Ichkeul Lake, Berber potteries.
- Architecturally stunning museums, mosques and a host of other archaeological sites – all within close reach of the hotel.
- The Spa by Clarins & Thalasso centre is widely acknowledged as one of the best thalassotherapy centres in the Mediterranean. Experience a range of services and treatments offered by a dedicated team of specialists who create a truly holistic approach to wellness.
- Boasting over 1,082sqm of meeting space for small meetings to grand affairs, these versatile venue spaces includes 2 ballrooms and 6 well-appointed rooms that can host anything from 15 to 500 delegates.

161 spacious Rooms, 9 stunning Suites, all with private balconies or gardens • 5 restaurants (2 seasonal) and 1 Bar • An award winning Spa & Thalasso • A magnificent Golf Course.

AWARDS:

1) 2022 Ranked 5th Best Hotel in Northern Africa and the only one in Tunisia (Conde Nast Traveler, Readers' Choice Award)
2) 2022 Traveller's Choice (TripAdvisor)
3) 2022 Ranked 13th Best Overseas Hotel in Africa (Luxury Lifestyle Magazine)
4) 2021/2020 Loved by Guests Award (Hotels.com and Expedia)
5) 2021 Ranked 20th Top 25 Hotels in Africa (TripAdvisor Best of the Best)
6) 2021 Ranked 6th best hotel in Northern Africa and the only one in Tunisia (Condenast Traveler, Readers' Choice Awards)
7) 2020/2019 Top 5* Hotel in Tunisia (Tunisia Tourism – Global Review Index Ranking)
8) 2019/2018 Premium Quality Certificate for Thalasso Spa and Spa Deluxe (Fit Reisen)
9) 2018 Room Check Award (Cristal International Standards)
10) 2016 Best Golf Club in Tunisia (Golfer's Choice – Leading Courses)
11) 2015-2019 TripAdvisor Certificate of Excellence

HOTEL

A lofty reception, open to nature, made exotic with Indian wood carvings set the island tone at The Residence Mauritius. This is a place that combines plenty of colonial charm with contemporary, sophisticated elegance, with an unbeatable setting amid lush tropical gardens along a mile-long white sand beach on the east coast of the island. Foodies will be completely at home here; French-Mauritian and international cuisine (The Dining Room), Creole style seafood on the beach (The Plantation) and light lunches by the pool (The Verandah). Days here are spent relaxing on the beach, dipping in and out of the Indian Ocean and making the most of genuine Mauritian hospitality. This is a hotel with a true sense of fun, brilliant for families and equally romantic for couples.

FOR LEISURE OR BUSINESS

- Complimentary water-sports including kayaking, windsurfing, water skiing and sailing.
- Unforgettable excursions on the water - deep sea fishing, catamaran cruises, scuba diving – and on land – tennis, volleyball, yoga and more…
- Keep the kids happy with The Planter’s Kids Club, where no detail is overlooked.
- Disappear into The Sanctuary Spa, for pampering treatments from Natura Bissé.
- Inspired by nature - corporate delegates can make the most of the exceptional facilities and flexible boardroom suite for up to 30 guests.

135 spacious Guest Rooms, 28 Suites, each with a private balcony or terrace opening onto private tropical gardens or overlooking the peaceful lagoon • 3 Restaurants and 1 Bar • A sublime Sanctuary Spa.

AWARDS:

1) 2022 Ranked 5th Best Overseas Hotel in Africa (Luxury Lifestyle Magazine)
2) 2022/2021 Traveller’s Choice (TripAdvisor)
3) 2021 Customer Excellence Award (British Airways Holidays)
4) 2021 Loved by Guests Award (Hotel.com)
5) 2021 Recommended on Holiday Check
6) 2020 Ranked 19th Top 25 Luxury Hotels & 7th Top 25 Hotels & 20th Top 25 Hotels for Service in Africa (TripAdvisor Best of the Best)
7) 2019 Best 5* Hotels (Voyage Prive)
8) 2017 Traveller Review Award (Booking.com)

HOTEL

THE RESIDENCE
ZANZIBAR

by Cenizaro®

The most welcoming hospitality of the Swahili people and the beauty of the mystical 'Spice Island' come together at The Residence Zanzibar. The hotel combines an intoxicating mix of elegant sophistication and island charm, set along a coconut palm-fringed white sandy beach within 32 hectares of gardens. Food is an art form here, from an Arab-African feel at The Dining Room and Middle Eastern-Mediterranean feasts at The Pavilion to unforgettable private dining experiences and special themed dinners with cultural performances – at sunset or under the stars, on the beach, on the jetty or from the comfort of the villa. There is plenty for everyone to do without having to wander far – complimentary non-motorised watersports, villa bicycles, yoga classes to relax or engage in excitement on the high seas with jet skiing, deep sea fishing or diving. Equally, Zanzibar is a wonderful, compelling destination with a true treasure trove of experiences waiting to be discovered; all with a touch of island spice.

FOR LEISURE OR BUSINESS

- Endless island excursions... on the water, explore the coastline on a sunset Dhow cruise, rise early for a dolphin safari, try scuba diving or be wowed by sea-life on a snorkelling trip.
- And on land, spot indigenous Red Colobus monkeys in the Jozani Forest and don't miss a visit to Stone Town, the island's historic capital and a UNESCO World Heritage Site.
- Soothing spa haven and an outdoor yoga pavilion in perfect harmony with nature, offer a heavenly sanctuary dedicated to well-being.
- For corporate retreats and receptions, make the most of the private meeting and outdoor spaces to strengthen team bonds.
- Families can discover rich marine life on a marine walk at low tide from the resort's very own shore front.

---

66 exquisite private villas, each with its own swimming pool, 58 One-bedroom Villas, 7 Two-bedroom Villas, 1 Presidential Villa • 2 Restaurants and 2 Bars • An on-site Dive Centre

AWARDS:

1) 2022 Ranked 11th Best Resorts in East Africa (Conde Nast Traveler, Readers' Choice Award)
2) 2022 Ranked 9th Best Overseas Hotel in Africa (Luxury Lifestyle Magazine)
3) 2022 Traveller's Choice (TripAdvisor)
4) 2021 – Ranked 7th out of Top 25 Hotels for Romance in Africa, 8th out of Top 25 Hotels in Africa (TripAdvisor Travelers' Choice Best of the Best)
5) 2021/2019 – Winner of "Loved by the guests" Award by Hotels.com
6) 2020/2021 – Booking.com Excellence Award
7) 2020 – Ranked Top 10 hotels in Zanzibar (Telegraph Travel, UK)
8) 2020 – Ranked 13th out of Top 25 Luxury Hotels & Ranked 8th out of Top 25 Hotels & Ranked 19th out Top 25 Hotel for Romance in Africa (TripAdvisor Travelers' Choice Best of the Best)
9) 2019/2018/2016/2015/2014/2013/2012 – Trip Advisor's "Certificate of Excellence" Award

HOTEL

THE RESIDENCE
MALDIVES
Falhumaafushi
by *Cenizaro*

Endless oceans meet cloudless skies at a beautiful uninterrupted horizon. A true sense of place and faultless attention to detail blend together at The Residence Maldives at Falhumaafushi. Situated on the fringe of one of the deepest atolls in the Maldives, this is a place where unexplored dive sites wait to be discovered and castaway adventures abound. Exquisite beach and water villas offer total tropical tranquillity – a real paradise. This is a place for romantic sunset dinners on the beach, carefree movie nights under the stars, outstanding dining experiences to entice the taste buds and time spent spotting dolphins, turtles and more. With enchanting turquoise waters, unending experiences and the finest service, this is a place to totally succumb to the magic of the Maldives.

FOR LEISURE OR BUSINESS

- Some of the world's best diving – right on the doorstep – with dramatic reefs, incredible corals and a virtually untouched marine world.
- Beginners can learn the ropes at the dive centre; the most experienced divers can spot dolphins, green turtles, parrot fish, eagle and manta rays, and much more...
- Take trips to deserted islands, local villages or go deep-sea fishing.
- Disappear to The Spa by Clarins – set out to sea atop a jetty for total seclusion and relaxation.
- Expert recreation specialists can tailor-make the perfect corporate retreat, team building event or incentive trip amid white sand beaches, turquoise waters and warm sunshine.

94 exquisite Beach and Water Villas, 88 One-bedroom Villas inclusive of 4 Deluxe Villas, 6 Two-bedroom Villas, 44 villas have private pools • 3 Restaurants and 3 Bars • The Spa by Clarins • PADI 5* Dive Centre • Watersports Centre • Castaway Island, 1 km bridge spanning 2 islands

AWARDS:

1) 2022 Traveller's Choice (TripAdvisor)
2) 2021 Among Top 30 Resorts in the Indian Ocean (Conde Nast Traveler, Readers' Choice Award)
3) 2020 Ranked #28 Top 30 Resorts in Indian Ocean (Conde Nast Traveler, UK, Readers' Choice Award)
4) 2020 TripAdvisor Traveler's Choice
5) 2018/2017 Top 10 in Maldives (DestinAsian Reader's Choice Award)
6) 2016 Top 13 in Maldives (Conde Nast Traveler, China, Reader's Choice Awards)
7) 2014 Best New Honeymoon Hotel (hitched.com.uk)
8) 2013 Best Overseas Hotel (National Geographic Traveler, China)
9) 2013 Top 20 Best New Spa Worldwide (Conde Nast Traveler, Spain)
10) 2013 35 New Hot Spas (Conde Nast Traveler, US Hot List)

HOTEL

THE RESIDENCE
BINTAN

by Cenizaro

A hidden oasis with huge, uninterrupted views – elegance and nature spectacularly combine at The Residence Bintan. Away from the hustle and bustle, and surrounded by lush greenery, think oversized doors, clean contemporary lines mixed with traditional Javanese aesthetics, and a real feeling of both authenticity and a sense of place. With villas designed to offer the utmost privacy, it is a place to breathe, an escape from the every day and a place to both unwind and indulge. For foodies, traditional Indonesian dishes and Pan-Asian cuisine at signature restaurant Rica Rica offer an exciting flavour of the destination with its authentic tastes of local produce and spices.

FOR LEISURE OR BUSINESS

- For those who like to explore – nature trekking, trips through the mangroves and visits to local food markets await.
- Spend the day kayaking or try your hand at knee-boarding.
- All this and in just 30 minutes, you're at Pulau Mapur, one of the best spots in the region to explore the underwater world.
- Disappear into the Spa. It's a sanctuary for rest and relaxation. A place where indigenous, organic ingredients combine with both local Ayurvedic rituals and modern techniques.
- Make the most of the panoramic views of the South China Sea with outdoor yoga sessions – just you, the ocean and the lush tropical surroundings.
- The latest technology combines with innovative team building activities and the space for creativity. An alfresco outdoor area along with three meeting rooms offers plenty of flexibility.

28 exquisite One-bedroom Beachfront Villas, 80 One-bedroom Upper Sea View and Garden Terrace Rooms, 15 One-bedroom Deluxe Sea View Villas, and 4 Opulent Two-bedroom Villas with direct access to the beach • 2 Restaurants, 3 Meeting Rooms and 1 Bar • The Spa with local indigenous Asian treatments.

AWARDS:

1) 2022/2021/2020 Travellers' Choice (TripAdvisor)
2) 2022/2021 Traveller Review Awards (Booking.com)
3) 2021/2020/2019 Customer Review Awards (Agoda)
4) 2021/2020 Loved by Guests Award Winner (Hotels.com)

HOTEL

Feel the demands of the modern world melt away as this 173-villa resort transports you to a haven of unparalleled peace and relaxation, surrounded by nature's unspoilt beauty. An ideal retreat for couples or families, relax with your loved one in the intimacy of the water pool villas or unwind as a family in the spacious sanctuary of the 2-bedroom beach and water pool villas. Here you can indulge in the purest of pleasures, lounging on pristine sunkissed beaches, snorkelling among stunning coral reefs in crystal clear lagoons, and diving with marine creatures in the ocean depths. Dhigurah is the ultimate island sanctuary for family get-togethers, a retreat with friends, or just about anyone looking for the perfect beachfront vacation experience.

FOR LEISURE OR BUSINESS

- Connected to its sister resort, The Residence Maldives at Falhumaafushi by a one-kilometer bridge.
- Run away to a deserted castaway for a Robinson Crusoe experience, be it for a dinner under the stars or a picnic for two.
- Family friendly facilities with a dedicated Turtle Kids Club with an outdoor playground for young guests from 3 to 12 years old.
- Diverse marine life surround the resort with regular sightings of dolphins, turtles, reef sharks, eagle rays amongst colourful coral life.
- Home to the Spa by Clarins, a renowned French beauty brand known for its treatments focused on plant-science.
- Corporate and incentive retreats can look forward to activities and dinners for team building whilst seeking relaxation in the warm sunshine.

173 luxurious pool villas - comprising of 161 One-bedroom Villas, 12 Two-bedroom Villas • 4 Restaurants, and 2 Bars • Holistic Wellness Treatments and retreats at The Spa by Clarins • PADI 5* Dive Centre • Watersports Centre • Kids Club • Castaway Island, 1 km bridge spanning 2 islands

AWARDS:

1) 2022 Traveller's Choice (TripAdvisor)
2) 2022 Ranked 15th Best Overseas Hotel in Africa (Luxury Lifestyle Magazine)

HOTEL

La Maison Arabe

MARRAKECH

by Cenizaro

A legend in the heart of the ancient medina of Marrakech since 1946; Morocco's first boutique riad hotel, La Maison Arabe welcomes its guests in an intimate yet opulent Moorish setting. Experience the soul of Moroccan hospitality within the splendour of this traditional 45-room riad hotel located in the heart of Bab Doukkala neighbourhood, a short walk from the UNESCO heritage site, Jemaa el Fna square. Individually styled with intricate period craftsmanship, each elegant room and suite feature modern amenities and most, highlighted with private terraces and fireplaces. This charming riad hotel also boasts three (3) restaurants, a piano-jazz bar and a world-famous cooking school (open to hotels guests and the public) as well as a serene traditional hammam spa. Immersed in an oasis of secret gardens; guests can relax in an outdoor heated pool amid flower-filled patios or by the pool at the spectacular Country Club annex, just 15 minutes away by complimentary shuttle. Unveil the city's rich history, heritage and culture as celebrated in the enchanting haven of La Maison Arabe.

FOR LEISURE OR BUSINESS

- Discover the hidden cultural treasures of Marrakech on a fascinating tour through a winding maze of souks to gorgeous architecture of El Bahia Palace and Koutoubia Mosque, to the enchanting UNESCO heritage site, Jeema El Fna Square.
- Drift gently over the landscapes surrounding Marrakech, appreciating the views of Berber villages and snow-capped Atlas mountains on a hot air balloon trip of lifetime.
- Master the art and secrets of one of the greatest cuisines of the world at the La Maison Arabe Moroccan cooking school designed for the amateur and professional alike, conducted by professional 'Dada' and assisted by a translator.
- Pamper yourself in the traditional hammam spa to the calming sounds of water fountains with therapies featuring natural, indigenous products.
- Retreat to the oasis of calm of the hotel's private country club in the Palmeraie for private events from gala dinners to wedding receptions in the magical setting under a Caidal tent set amid the luxuriant Kasbah Gardens.

45 individually styled Rooms and Suites • 3 Restaurants and 1 Bar • 2 Swimming Pools • Le Jardin Secret de La Maison Arabe (private country club) • Award-winning Cookery School • Traditional Hammam Spa

AWARDS:

1) 2022 Ranked 6th Best Resorts in Northern Africa (Conde Nast Traveler, Readers' Choice Award)
2) 2022 Ranked 1st in Top 25 Luxury Hotels in Africa and 19th Top 25 Luxury Hotels in the World – Traveller's Choice Best of the Best (TripAdvisor)
3) 2022 Ranked 4th Best Overseas Hotel in Africa (Luxury Lifestyle Magazine)
4) 2021 Ranked 10th Top Hotels in Africa (Conde Nast Traveler, Reader's Choice Awards)
5) 2021 Ranked 14th Top 25 Hotels in Africa (TripAdvisor Traveler's choice 2021 Best of the best)
6) 2020 Ranked 17th Top Hotels in Africa (Conde Nast Traveler, Readers' Choice Awards)
7) 2020 Ranked 10th Top 25 Luxury Hotels in Africa and 19th Hotel for Service-World & 2nd in Africa (TripAdvisor Best of the Best)
8) 2019 Ranked 15th Top Hotels in Africa (Conde Nast Traveler, Reader's Choice Award)
9) 2019 Ranked 2nd Best Luxury Hotel in Africa and 10th in the World (TripAdvisor Traveller's Choice Award)
10) 2017/2018 Guest Review Awards – Best Service (Booking.com)
11) Ranked amongst top 20 boutique hotels in the world in leading luxury, lifestyle travel magazines (Travel+Leisure (USA) & Conde Nast Traveller (UK) and Hotel & Lodge (France))

HOTEL

Riad Elegancia
MARRAKECH
by Cenizaro

Behind Marrakech's pink walls in the heart of the Medina is Riad Elegancia, a charming 11-room property offering one of the most authentic riad experiences in the city, with all the modern touches of a luxury boutique hotel. Set over three levels and built around two patios, the building remains loyal to its Arab-Andalusian architectural roots, with traditional features running throughout. The rooftop is a destination in itself boasting 360 views of the ancient Medina, a rooftop swimming pool, a sundeck, a Jacuzzi and a restaurant and bar area. Dining at Riad Elegancia is a flavourful experience, with cooking classes available to guests wishing to bring a taste of the exotic back home. The "Espace Raha" Oriental Hamman & Spa offers a peaceful sanctuary dedicated to wellbeing. Features include a traditional Moroccan hammam made from marble, two treatment rooms including one for couples, a relaxation area, and fitness room. Riad Elegancia is close to the Bab Doukkala mosque and vibrant Jemaa el-Fna square, and is a short walk from sister property, La Maison Arabe, where guests can benefit from access to the hotel's facilities including its exclusive Le Jardin Secret de La Maison Arabe and pool in the verdant Palmeraie suburb.

FOR LEISURE OR BUSINESS

- Discover the mysteries of Marrakech in a sidecar or on a Pikala bike for a fascinating cultural tour through ramparts, city gates and winding alleys across the beautiful Majorelle Garden and mythical Moorish monuments before savouring flavourful street foods and fragrant spices at the lively Jeema El Fna Square by night.
- Enter a paradise of saffron; the most expensive spice in the world as you learn about this red gold aromatic plant on a tour of an organic saffron farm enroute to the valley of Ourika with its wild landscape and traditional Berber villages.
- Uncover the secrets of Moroccan cuisine in a private cooking workshop just for two with our "tabakha" with a lovely lunch to follow.
- Unwind in the "Espace Raha" sanctuary of well-being with traditional hammam care rituals and natural products.
- For private events from gala dinners to wedding receptions; a magical 1001 Arabian nights dinner with Gnawa musicians awaits under a Caidal tent set amid the luxuriant Kasbah Gardens in the enchanting Le Jardin Secret de La Maison Arabe in the Palmeraie.

11 individually styled Rooms • 2 Restaurants and 1 Bar • Heated pool and sun deck on rooftop terrace • Le Jardin Secret de La Maison Arabe (private country club) • Cookery School • Traditional Hammam and 2 spa treatment rooms. Fully equipped Gym. 2 Patios

AWARDS:

1) 2022 Ranked 12th Best Overseas Hotel in Africa (Luxury Lifestyle Magazine)
2) 2022/2021 Travellers' Choice (TripAdvisor)
3) 2022 Luxury Hotel Guide (9.5/10)
4) 2022 Ranked 7th Best Riad in Marrakech (The Times Travel)

HOTEL

SHERATON
Towers Singapore

The iconic Sheraton Towers Singapore is centrally located along Scotts Road with 420 tastefully appointed guestrooms and heritage suites, and 13,400 square feet of prime function space made up of 16 versatile event spaces. Fully equipped with state-of-the-art facilities and modern amenities, the hotel offers characteristically distinct accommodations – the contemporary style of King Guestroom, Twin Guestroom, the idyllic Pool and Cabana Rooms as well as a premium collection of heritage suites, each distinctly themed after heritage cities of the world. Housed within the hotel are the award-winning Li Bai Cantonese Restaurant, the picturesque Dining Room set against the signature waterfall, the Lobby Bar that offers a contemporary setting for a refreshing cocktail or leisurely afternoon tea, and the upscale Maetomo Japanese cuisine Kaiseki & Sushi that serves up premium omakase showcasing Japan's best seasonal produce. Its strategic location next to Newton Interchange train station makes it easily connected to Singapore's core financial and commercial hub as well as major places of interest across Singapore – whether for work or leisure.

Honourably conferred the Luxury Contemporary Hotel Award 2019 by the World Luxury Hotel Awards, Sheraton Towers Singapore sets the benchmark in the hospitality industry with its outstanding quality standards and impressive service. From the detailed elegant furnishings, exquisite culinary experience to warm, discreet service, the hotel believes in pampering its guests with the comfort, luxury and conveniences that they are accustomed to at home.

FOR BUSINESS OR LEISURE

- Over 13,400 square feet of dedicated function space made up of 16 event venues for private or corporate occasions. A team of dedicated meeting and conference managers ensure the seamless organisation and flawless execution of all events.
- A 10-minute walk from the hotel is the world-class shopping district of Orchard Road, the city's most popular retail and entertainment enclave.
- Explore the multicultural enclaves and major attractions of Singapore, head to the Central Business District, all easily accessible via the well-connected train lines within a 3-min walk of the hotel.
- Enjoy a quiet stroll amid the verdant tropical parklands of Singapore Botanic Gardens, only a short train ride away.
- Within close proximity to the Newton Food Centre, a lively local culinary scene of delicious flavours await.

420 tastefully appointed Guestrooms and Suites • 3 Restaurants and 1 Bar • 13,400 square feet of function space • 24-hour Fitness Centre • Outdoor Swimming Pool

AWARDS:

1) 2022/2021 Travellers' Choice (TripAdvisor)
2) 2022 Tatler Dining Guide (Li Bai and The Dining Room)
3) 2022 BCA Green Mark Platinum Award
4) 2020/2019 Singapore's Top Restaurants, House of Star – Li Bai (Wine & Dine's Singapore Top Restaurants)
5) 2019 ASEAN Energy Award (ASEAN Centre for Energy (ACE))
6) 2019 Singapore's Top Restaurants – The Dining Room (Wine & Dine's Singapore Top Restaurants)
7) 2019/2018 Singapore's Luxury Contemporary Hotel (World Luxury Hotel Awards)
8) 2018 Best Business Lunch (Asian) – Li Bai Cantonese Restaurant (Gourmet & Travel G Restaurant Awards)
9) 2018/2017 Gourmet & Travel G Restaurant Awards of Excellence – Li Bai Cantonese Restaurant (Gourmet & Travel G Restaurant Awards)
10) 2017-2019 Best Asian Restaurants Award, Silver – Li Bai (Asian Masters)
11) 2017/2016 Singapore's Best Luxury City Hotel (World Luxury Hotel Awards)
12) 2016-2018 Certificate of Excellence (TripAdvisor)

HOTEL

Four Points by Sheraton Perth

Four Points by Sheraton Perth offers both business and leisure travellers exceptional service, essential amenities and a central location in Perth CBD. Conveniently located directly opposite RAC Arena and just a short walk to the heart of the city, Four Points by Sheraton Perth delivers everything you need to unwind on the road.

Relax in spacious and modern guestrooms and suites with signature Four Points Comfort beds, large bathrooms with walk-in showers, modern TVs with screen mirror capabilities and complimentary Wi-Fi. Upgrade to a suite for an expanded, separate living room, ideal for families or those seeking space to work. Recharge in the fitness centre or catch up on work in the 24-hour business centre and print those important documents.

Start your day with a delicious buffet breakfast and freshly barista coffee at The Eatery restaurant. After a full day of meetings, shopping or sightseeing, kick back at The Best Brew Bar & Kitchen with a wide range of local craft beers and a seasonal menu showcasing the freshest local Western Australian produce.

FOR BUSINESS OR LEISURE

- Space to meet – ensure productive meetings in one of four (4) function spaces with seven (7) flexible layout options, equipped to meet a range of event needs. The 422sqm of event space includes a large ballroom, easily accommodating up to 150 banquet style, equipped with state-of-the-art audio visual technology.
- Great location – Conveniently located near to Perth central business district, directly opposite RAC Arena. The Hotel is close to free CBD public transport with immediate freeway access in and out of the city.
- Step out for great local shopping, sports, nightlife and more. Just minutes from major tourist attractions, the financial centre and the Perth Convention and Exhibition Centre.
- Burn some energy in the fitness centre or on one of the many walking trails beside the Swan River and Kings Park Botanic Gardens.

278 Guestrooms, including 7 Spacious Suites • 4 Meeting Rooms • 24 Hour Business Centre • 24 Hour Reception • Fitness Centre • 1 Breakfast Restaurant • 1 Evening Dining Restaurant/Bar and Free Wi-Fi in guest rooms and public areas

AWARDS:

1) 2019/2018 Finalist Australia Hotel Association (AHA WA) Accommodation Industry Awards | Superior Accommodation
2) 2017 Bronze Medalist Perth Airport WA Tourism Awards | Deluxe Accommodation

INDUSTRIAL

The Industrial Division comprises of two essential services namely waste disposal and recycling and cleaning.

Colex, being one of Singapore's leading waste management companies since 1971, has pioneered many innovative value-added services which include the fully mechanised, modernised and state of the art waste disposal vehicles and portable and stationery waste compactors used in the industrial and commercial segments today.

Colex has been providing services to a vast range of business sectors including retail, residential, commercial buildings and industrial premises.

As a company with a leading position in the waste and recycling industry, we are committed to provide excellent services with competitive prices to renew and secure new contracts. We are also operating responsibly and ethically at all times for the good and sustainability of the environment. Our Material Recovery Facilities (MRF) is set up to recycle as much recyclables as possible to achieve the circular economy.

Our ISO 9001 Quality Management System, ISO 14001 Environmental Management System and the BizSafe Certification affirm our commitment to business excellence. Our employees are always inspired to explore innovative work processes and being regularly trained in their field of expertise which allows for their continual delivery of exemplary service to our customers.

Augmenting the maintenance of clean and healthy environments, IPM, which is a part of Colex's cleaning division provides customised cleaning solutions to meet high quality hygiene requirements for commercial (office and retail), industrial and residential buildings. It covers whole building cleaning maintenance such as sweeping, mopping, vacuuming, dusting, refuse disposal, cleaning and disinfecting toilets; a full range of quality contract cleaning services including building facade cleaning are undertaken by a dedicated team of professionally trained and reliable staff who are supervised and regularly monitored by our supervisors and area operations managers.

Incorporated in May 1987, IPM is now a brand name in the cleaning sector. The company has come so far because of the determination of its leaders and staff by always putting customers first in its endeavours to delivering quality services.

IPM is awarded Clean Mark (Silver) by NEA under its enhanced Clean Mark accreditation scheme. The scheme recognises companies that deliver high standards of cleaning through the training of workers, use of equipment to improve work processes, and fair employment practices which include the adoption of Progressive Wage Model (PWM) for the cleaning industry.

ORGANISATIONAL CHART

PROPERTY

INVESTMENT & DEVELOPMENT

HOTEL

OWNERSHIP & MANAGEMENT

WASTE

MANAGEMENT & CONTRACT CLEANING

RENTAL

- Claridges (Perth) Pty Ltd As Trustee For "ATF" Claridges (Perth) Trust
- Goldvista (Perth) Pty Ltd ATF Goldvista (Perth) Trust
- Goldvein Pte Ltd
- Singapore Tunisian Investment Company
- Update Investments Pte Ltd

DEVELOPMENT

- Singapore Tunisian Investment Company Immobiliere#

 # (held through Singapore Tunisian Investment Company)

HOTEL

- Belle Mare Beach Development Company Limited
- Bonaventure (Maldives) Pvt Ltd
- Bonavista (Maldives) Pvt Ltd
- Bonaventure (Perth) Pty Ltd ATF Bonaventure (Perth) Trust
- Goldcove SA
- Hotel & Property Development (Kendwa) Limited
- PT. Bintan Vista
- PT. Bintan Golden Land
- PT. Bali Vista Indah
- Richvein Pte Ltd
- Singapore Tunisian Investment Company
- Singapore Tunisian Investment Medina#
- Singapore Tunisian Investment Douz#
- Singapore Tunisian Investment Djerba#
- Singapore Tunisian Investment Voyages#

 # (held through Singapore Tunisian Investment Company)

INDUSTRIAL

- Colex Holdings Limited
  - Colex Environmental Pte Ltd
  - Integrated Property Management Pte Ltd
  - Juz Clean Pte Ltd

DIRECTORS' PROFILE

HENRY NGO

Mr Henry Ngo is the founder of Bonvests Holdings Limited. He was appointed as the Group's Executive Chairman and Managing Director and is responsible for mapping out the corporate and growth strategy of the Group. Under Mr Ngo's leadership, the Group has developed the property arm and diversified into waste management as well as hotel development and operations overseas. In 2022, Mr Ngo stepped down as Managing Director, and continues as the Group's Executive Chairman.

GARY XIE GUOJUN

Mr Gary Xie joined Bonvests Holdings Limited in 2007 and has been serving as Executive Director since 2010 and as Joint Managing Director since 2022. In his role as Joint Managing Director, Mr Gary Xie is overall in charge of the Group's management, business and financial strategy, investments and operations.

With more than 20 years of combined experience in real estate, hospitality and banking, Mr Gary Xie has held positions in investment, asset management and financial analysis. He was previously with GIC Real Estate in Singapore, where he was involved in investment and asset management of direct and corporate real estate, including development projects and listed equities. Prior to that, he was with the investment banking – mergers and acquisitions and financial sponsors division of ING Groep NV in New York City.

Mr Gary Xie received his Master of Business Administration with high honors from The University of Chicago Booth School of Business. He also holds a Master of Science in Real Estate with distinction and a Bachelor of Science in Business Administration, cum laude. He is a CFA charter holder and a board member of the Singapore Hotel Association. He is also a member of the Singapore Institute of Directors and Young Presidents' Organization, Singapore Integrated Chapter.

ANDY XIE GUOYUAN

Mr Andy Xie joined Bonvests Holdings Limited in 2010 and has been serving as Executive Director since 2016. In 2022, Mr Andy Xie was appointed as Joint Managing Director. In his role as Joint Managing Director, Mr Andy Xie is overall responsible for the Group's management, business, operations and investments. Prior to joining the Group, he spent 10 years in the United States working for several technology companies. He has spent 5 years working at Cisco Systems, Inc. as an engineer and was involved in development and operations in the Applications Foundation Solutions group. Prior to that, he was a Technology Analyst at National Semiconductor Corporation. Mr Andy Xie holds a Master of Science degree from the Robert R. McCormick School of Engineering and Applied Science at Northwestern University in Evanston, Illinois, USA. He also holds a Bachelor of Science in Commerce. He is a member of the Singapore Institute of Directors.

CHEW HENG CHING

Mr Chew is an independent Director of the Company since 1995. He has more than 30 years of senior management experience in the public and private sectors. He is the Founding President of the Singapore Institute of Directors ("SID") and Past Chairman of its Governing Council. He is also a director of various other listed companies. Mr Chew is a Board Member and Past Chairman of the Singapore International Chamber of Commerce. He is an ex-Council Member of the Singapore Business Federation. He is also an ex-Member of Parliament and former Deputy Speaker of the Singapore Parliament.

A Colombo Plan scholar, Mr Chew is a graduate in Industrial Engineering (First Class Honours) and Economics and is a university gold medalist from the University of Newcastle, Australia. He holds an Honorary Doctorate in Engineering from the same university. He is a fellow of SID and CPA Australia.

FONG HENG BOO

Mr Fong was appointed as Independent Director of the Company in 2021. He was with the Auditor-General's Office (AGO) in Singapore between 1975 and 1993 and was holding the appointment of Assistant Auditor-General when he left the AGO. Prior to his retirement in 2014, Mr Fong was the Director (Special Duties) at the Singapore Totalisator Board as the Head of Finance and Investment functions. Mr Fong has over 48 years of experience in auditing, finance, business development and corporate governance. Mr Fong graduated in 1973 from the University of Singapore (now known as the National University of Singapore) with a Bachelor's Degree in Accountancy (Honours). He also serves as an Independent Director of three other listed companies in Singapore.

TEO LIP HUA, BENEDICT

Mr Teo was appointed as Independent Director of the Company in 2021. He has more than 30 years of experience in the legal industry and has been named in Chambers Global and Chambers Asia-Pacific as a recommended corporate lawyer in capital markets. He specialises in corporate finance, capital market, mergers and acquisitions, general corporate matters and China related matters. He is currently a director of Legal Options LLC. He holds a Bachelor of Laws and a Master of Laws (Chinese Law) from the National University of Singapore. He is also a member of the Singapore Academy of Law and the Law Society of Singapore.

SENIOR EXECUTIVES' PROFILE

LIAU KHIN SIONG

Mr Liau was appointed as Director-Waste Management Division from October 2022. He joined Colex in 2002 as Workshop Manager and was promoted to Senior Manager in August 2005, responsible for the repair and maintenance of all the waste disposal trucks, commercial vehicles and workshop equipment used in the waste disposal business. He was appointed as the Assistant General Manager in December 2012, assisting in the full spectrum of activities in the waste disposal and recycling operations. He has extensive experience in the waste industry.

Prior to joining Colex, he was the Workshop Manager of one of the waste disposal companies, in charge of a fleet of waste disposal vehicles and equipment. He holds a degree in Master of Business Administration from Brunel University, United Kingdom.

DING CHEK LEH

Mr Ding is the Director and also General Manager in charge of the day-to-day management of the contract cleaning segment undertaken by Integrated Property Management Pte Ltd (IPM), a wholly-owned subsidiary of Colex Holdings Limited. He worked with the Housing Development Board for 3 years as an Estate Officer before joining IPM in July 1987 as its Operations Manager. He was promoted to Senior Operations Manager in April 1989 and subsequently to General Manager in September 1990. Mr Ding holds an honours degree in Bachelor of Engineering from University of Canterbury (New Zealand).

STEVEN LONG

Mr Long has been with The Sheraton Towers Singapore for over 34 years. He joined the hotel as a management trainee in 1988 and progressively assumed various positions of the hotel operations including rooms division, food and beverage, sales and marketing as well as finance. Mr Long was the Director of Finance and Operations before he was promoted to General Manager of the hotel in 2001. Mr Long holds a Master of Business Administration degree from Eastern Michigan University and a Bachelor of Commerce degree with high honours from Carleton University.

MEENAKSHI SUNDARAM

Mr Sundaram has joined The Residence Group in 2011 first as Executive Assistant Manager and subsequently promoted as Resident Manager. He was promoted to the position of General Manager of The Residence Maldives in July 2013. Prior to joining The Residence Maldives, he was working with an International Chain in Maldives & U.K. His hospitality career spans over 30 years with 22 years in Maldives. He holds a Bachelor's Degree in Science, Bachelor's Degree in Library & Information Science, Master's Degree in Tourism, Master's Degree in Hotel Management and an MBA in Tourism & Hotel Management.

JEAN-FRANCOIS CHONG

Mr Chong joined The Residence Mauritius in 2007 as Financial Controller. He was promoted as General Manager in 2014. He is a fellow of the Association of Chartered Certified Accountants. He started his career with De Chazal Du Mee which represented Arthur Andersen, in the business advisory and assurance department where he gained extensive experience in various industries of the economy. Afterwards he moved to the hospitality industry for the last 23 years. He was previously working as Director of Finance at The Hilton Mauritius Spa and Resorts.

MEHDI BELKHODJA

Mr Belkhodja has been with The Residence Tunis for 19 years. He began his hospitality journey as a Management trainee with The Residence Tunis in September 2003. He progressively assumed various roles over the years and became the Director of Finance. He was promoted to General Manager of the hotel in July 2017. A finance specialist with a bachelor's degree specializing in Business and Management from one of France leading business schools in Paris. He is also an active member of Rotary International.

BAGUS PARAMARTA

Mr Paramarta joined Cenizaro Hotels & Resorts in 2016 where he started as General Manager at The Residence Bintan. After a good 5 years, he felt honored to take the opportunity as General Manager at The Residence Zanzibar. He has been working in the hospitality industry for over 22 years with experiences in both hotel operations and administration position. Prior to joining The Residence Bintan, he was working as Financial Controller at Alila Jabal al Akhdar, Oman. He started his career in Finance where he progressively rose through the ranks to Financial Controller position and had the opportunity to experience this position overseas in Japan, Maldives, China and Oman. He holds 2 bachelor degrees of Accountant and Tourism Management from University of Udayana Bali.

TAOUFIK GHAFFOULI

Mr Ghaffouli has been the General Manager of La Maison Arabe since the hotel's pre-opening phase in December 1997. After receiving his high school diploma in accounting, he attended the Higher International Institute of Tourism in Tangier. While studying the hospitality and tourism industry for 5 years, he became a front office manager at Holiday Club (a Sofitel hotel today) until receiving his master's degree in Hotel Administration and Management. After graduating, he was employed as a deputy director of sales at the five-star Tour Hassan Palace in Rabat.

In 1997, he was offered the chance of a lifetime as General Manager of Morocco's first riad-hotel, La Maison Arabe, which was rated as one of the 100 best hotels in the world by Condé Nast Traveler 2 years later.

Mr Ghaffouli also launched the first cooking school in Africa. It was designed to introduce tourists to the delights and secrets of Moroccan cuisine. He is also involved in many charitable initiatives including being the godfather of an association in the High Atlas Mountains that helps children, especially young girls to attend school and complete their education.

CORPORATE GOVERNANCE STATEMENT

The Company is committed to uphold high standards of corporate governance and transparency to protect shareholders' interest and enhance shareholders' value.

The Company has complied in all material aspects with the principles and guidelines of the Code of Corporate Governance 2018 ("Code") as well as compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual's requirements.

There are other sections in this Annual Report which contain information required by the Code. Hence the Annual Report should be read in totality.

BOARD MATTERS

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

Board's Role

The Board is collectively responsible for providing the overall strategy and direction to the Management and the Group and ensures that the necessary financial and human resources are in place for the Company to meet its objectives. It establishes a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets, supervises the Management and monitors performance of these goals.

Through the Board's leadership, the Group's businesses are able to achieve sustainable performance. The Board is responsible for the overall corporate governance of the Group. The Board has put in place a code of conduct and ethics to set appropriate tone-from-the-top and desired organisational culture, and ensure that the Company's values, standards, policies and practices are consistent with the culture. Under the code, Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

The Board recognises that to ensure business is sustainable, it has to identify and ensure transparency and accountability to the key shareholders' groups. The Group also strives to strike a balance between its business needs and the needs of the society and the environment in which the Group operates. In accordance with the listing rules of SGX-ST ("Listing Rules"), the Group has issued its sustainability report in 2023 together with this Annual Report.

Sustainability principles have long been a part of Bonvests' identity. We have embarked on the development of our first sustainability report in 2018. Our Sustainability Steering Team comprises members from senior management and across all business units and locations. The Sustainability Steering Team has been regularly updating the Audit Committee and Board of Directors on progress. Since 2019, we conducted materiality assessment which allowed us to identify the Environmental, Social and Governance (ESG) factors that are most material to us and our stakeholders. We have set performance indicators and monitoring processes in place. We had released our inaugural sustainability report in digital form in June 2018. We have released our sixth sustainability report in this Annual Report. In compliance with new Listing Rules that take effect from 1 January 2022, the Directors have undergone training in sustainability matters as prescribed by SGX.

CORPORATE GOVERNANCE STATEMENT

Provision 1.2
Directors' Duties and Responsibilities
The Board exercises due diligence and independent judgement in dealing with the business affairs of the Group and works with the Management to take objective decisions in the interest of the Group.

Directors must understand the Company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). The Company has in place a process of induction, training and development for new and existing directors as set out herein.

Induction, training and development for Directors
Newly appointed Directors will be given an orientation program to familiarise themselves with the Company's operations. A new incoming Director is issued a formal letter of appointment setting out his duties and obligations, and, where appropriate, incorporating processes to deal with possible conflicts of interest that may arise.

Incoming Directors joining the Board will be briefed by the other Directors and the Management on Company's code of ethics and conduct, their Directors' duties and obligations and be introduced to the Group's business and governance practice, in particular the Company's policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company's securities and restrictions on disclosure of price-sensitive information.

The Nominating Committee is tasked with the review of training and professional development programmes for the Board and its Directors. For FY2022, the Nominating Committee ensures that all Directors had undergone training in sustainability matters as prescribed by SGX-ST.

In addition, all Directors keep themselves updated on relevant new laws and regulations through Singapore Institute of Directors and other advisors. The Directors are required and have each signed the respective undertaking in the form set out in Appendix 7.7 of the Listing Manual to undertake to use their best endeavours to comply with the Listing Rules and to procure that the Company shall so comply.

During the financial year reported on, the Directors had received periodic updates on regulatory changes to the Listing Rules, Companies Act and the financial reporting standards from external and internal auditors and professional advisers. Management keeps the Directors up-to-date on pertinent developments in the business including changes to laws and regulations on operational and industry related matters. The Chairman updates the Board at each Board meeting on business and strategic developments and also highlights the salient issues as well as the risk management considerations for the Group. Such periodic updates are provided to Directors to facilitate the discharge of their duties. In the current COVID-19 situation, the Directors were provided with guidances released by the SGX RegCo and the Accounting and Corporate Regulatory Authority on COVID-19. Management kept the Board apprised of Government COVID-19 advisories and COVID-19 impact on business and operations, and the adaptation of policies and procedures in relation thereto.

The Directors had also attended appropriate courses, conferences and seminars including programmes run by the Singapore Institute of Directors. The Nominating Committee is tasked with the review of training and professional development programmes for the Board and its Directors.

CORPORATE GOVERNANCE STATEMENT

Provision 1.3
Internal Guidelines on Matters Requiring Board Approval
The Board has adopted internal guidelines governing matters that require the Board's approval.

Matters specifically reserved to the Board for its approval are:
a) interim and year end result announcements;
b) annual report, financial statements and annual budgets;
c) convening of shareholder's meetings;
d) corporate strategies and direction of the Group;
e) corporate or financial restructuring;
f) material acquisitions and disposal of assets;
g) matters involving a conflict of interest for a substantial shareholder or a director; and
h) share issuances, interim dividends and other returns to shareholder.

Provision 1.4
Delegation of Authority to Board Committees
Board Committees, namely the Audit Committee ("AC"), Nominating Committee ("NC"), and Remuneration Committee ("RC") have been constituted to assist the Board in the discharge of specific responsibilities without the Board abdicating its responsibility. These Board Committees function within clearly defined terms of references and operating procedures including procedures for dealing with conflicts of interest. A Board Committee member is required to disclose his interest and recuse himself from discussions and decisions involving a conflict of interest. Please refer to Provisions 4 to 10 herein for further information on the activities of the NC, RC and AC respectively.

The present Board members and Board Committee members are as follows:

		Board Committees		
Name of Director	**Board membership**	**AC**	**NC**	**RC**
Henry Ngo	Executive Chairman	–	Member	–
Gary Xie Guojun	Joint Managing Director	–	–	–
Andy Xie Guoyuan	Joint Managing Director	–	–	–
Chew Heng Ching	Lead Independent Director	Member	Chairman	Member
Fong Heng Boo	Independent Director	Chairman	Member	Member
Teo Lip Hua Benedict	Independent Director	Member	Member	Chairman

Provision 1.5
Meetings of Board and Board Committees
The Board meets regularly and as warranted by particular circumstances or as deemed appropriate by the Board members. The Company Secretary is present at such meetings to record the proceedings. The Company's Constitution allows the Board meetings to be conducted by way of telephonic or video conference meetings. The Company's Constitution permits Board and Committee meetings by teleconferencing or videoconferencing. When a physical meeting is not advisable in observance of Government advisories on restricted gatherings and safe distancing on COVID-19, meetings are conducted by electronic means. The Board and Board Committees may also make decisions through circular resolutions. The Board ensures that Directors with other listed board representations give sufficient time and attention to the affairs of the Group.

CORPORATE GOVERNANCE STATEMENT

The attendance of the Directors at meetings of the Board and Board Committees during the year, as well as the frequency of such meetings, is disclosed below:

	Board	Audit Committee	Nominating Committee	Remuneration Committee
	Total number of meetings			
	4	4	1	1
	Total number of meetings attended/Total number of meetings in FY2022			
Henry Ngo	4/4	N.A.	1/1	N.A.
Chew Heng Ching	4/4	4/4	1/1	1/1
Gary Xie Guojun	4/4	N.A.	N.A.	N.A.
Andy Xie Guoyuan	4/4	N.A.	N.A.	N.A.
Fong Heng Boo	4/4	4/4	1/1	1/1
Teo Lip Hua Benedict	4/4	4/4	1/1	1/1

N.A. – Not applicable, as the Directors are non-members of the Board Committees.

Provisions 1.6 and 1.7
Board's Access to Management, Company Secretary and external advisers
In order to fulfil their responsibilities, Board members are provided with complete, adequate and timely information prior to board meetings and on an ongoing basis so as to enable them to make informed decisions to discharge their duties and responsibilities as Directors.

Quarterly financial summary reports, budgets and forecasts with explanations for material variances and other disclosure documents are provided to the Board to enable them to be fully cognisant of the decisions and actions of the Company's executive management, where appropriate. Board papers are sent to Directors prior to each Board and Board Committee meeting.

In carrying out its duties, the Board has unrestricted access to the Management and Company's records and information. The Directors have separate and independent access to the Company Secretary. The Company Secretary is present at Board meetings to assist in ensuring that Board procedures as well as applicable rules and regulations are followed.

The Company Secretary's responsibilities include ensuring good information flows within the Board and its committees and between Management and Non-Executive Directors, and assisting the Board in implementing and strengthening corporate governance practices and processes. The appointment and removal of the Company Secretary is subject to the approval of the Board.

Where required, the Board, individual Board Committees and individual Directors would seek independent professional advice.

CORPORATE GOVERNANCE STATEMENT

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
Independence of Directors
The Board currently comprises 6 members, 3 of whom are independent and non-executive. Independent Directors make up half the Board, with one of them being a Lead Independent Director.

The independence of each Independent Director is reviewed annually by the NC, based on the definition of independence as stated in the Code and the Listing Rules. All the three Independent Directors, have confirmed their independence based on the provisions of the Code and the Listing Rules which are in effect as at the date of this Annual Report.

The criterion for independence is based on the definition given in the Code and the Listing Rules. The Code has defined an "independent director" as one who is independent in conduct, character and judgement and who has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to in the best interests of the Company. Under the Listing Rules, an independent director is not one who is or has been employed by the Company or any of its related corporations for the current or any of the past three financial years; or not one who has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC. Under new Listing Rule 210(5)(d)(iv) effective from 11 January 2023, there is a nine-year tenure cap for independent directors. An independent director who has served for more than nine years can remain as an independent director until the conclusion of the next annual general meeting. Under the Transitional Arrangements to the Listing Rules, Rule 210(5)(d)(iv) takes effect for an issuer's annual general meeting for the financial year ending on or after 31 December 2023.

Mr Chew Heng Ching has served as Director for more than nine years. Pursuant to Listing Rule 210(5)(d)(iii), approval was given by shareholders under a two-tiered voting at the Company's annual general meeting held on 29 April 2021 for Mr Chew to continue in office as Independent Director with effect from 1 January 2022 up to the conclusion of the third AGM of the Company following the approval given on 29 April 2021. Rule 210(5)(d)(iii) was deleted from 11 January 2023. Pursuant to the new Listing Rule 210(5)(d)(iv) effective from 11 January 2023 and Transitional Arrangements to the Listing Rules, Mr Chew will be considered independent until the Company's annual general meeting in 2024 for the financial year ending 31 December 2023.

For good governance, the NC has continued to conduct a rigorous review of Mr Chew's independence. The NC deemed that the length of service of a Director should not determine the effectiveness of independence of an Independent Director. In assessing the independence of a Director, the NC considers it more appropriate to have regard to the Director's contribution in terms of professionalism, integrity, objectivity and ability to exercise independence of judgment in his deliberation in the interest of the Company. The NC is of the view that Mr Chew has over the years developed significant insights in the Group's business and operations, and can continue to provide significant and valuable contribution objectively to the Board as a whole. He possesses institutional memory which is relevant to the Independent Directors in their engagement with Management and the Board.

CORPORATE GOVERNANCE STATEMENT

Further to the declaration of independence by Mr Chew Heng Ching, Mr Fong Heng Boo and Mr Teo Lip Hua Benedict, the NC has reviewed if there were any relationships or other factors such as gifts or financial assistance, business dealings, financial dependence, relationship with the Group or the Group's management which would impair the independence of Mr Chew, Mr Fong and Mr Teo. The NC is satisfied with the independence of the Independent Directors. Each of the Independent Directors has abstained from the NC's deliberation of his independence.

The Board (without the participation of the Independent Directors) has conducted a rigorous review of the independence of the Independent Directors, taking into consideration the NC's assessment as well as their performance at Board meetings and commitment to the affairs of the Group. The Board notes that Mr Chew, Mr Fong and Mr Teo are well qualified professionals with many years of experience and who continue to be actively interested and updated in their professional disciplines and keen to contribute their experience to the community. They have no business and professional conflict of interest. The Board is of the view that they have engaged the Board in constructive discussion; their contributions are relevant and reasoned, and they have exhibited integrity and exercised independent judgement. The Board considers them independent.

Provisions 2.2 and 2.3
Composition of Independent Directors and Non-Executive Directors on the Board
Under the Listing Rules, the Independent Directors should make up one-third of the Board. The composition of the Board complies with the Listing Rules.

Under Provision 2.2 of the Code, the Independent Directors should make up a majority of the Board where the Chairman is not an independent director. Under Provision 2.3 of the Code, the Non-Executive Directors should make up a majority of the Board. All the Non-Executive Directors are Independent Directors who make up half the Board. Given the Board size of six, the three Independent Directors led by a Lead Independent Director provide a good balance of authority and power within the Board. In addition, the NC, AC and RC which assist the Board in its functions is each chaired by an Independent Director. The Board is of the view that there is a strong independence element within the Board to justify the departure of the Board composition from the Code.

Provision 2.4
Composition and Size of the Board
The Company has in place a Board Diversity Policy, which endorses the principle that its Board should have a balance of skill, knowledge, experience and diversity of perspectives to ensure effective decision making and governance of the Company and its businesses.

The NC annually reviews and assesses the Board composition and recommends the appointment of new directors, where applicable. For new and continuing appointments, the NC will consider factors such as skills, experience, age, gender, educational and professional background, tenure of service and other relevant personal attributes that are important and needed to support good decision making at the Board level. Core competencies, which are taken into account in the selection and appointment of Directors, include finance, accounting, business management, legal and corporate governance, relevant industry knowledge or experience and strategic planning experience. As gender is an important aspect of diversity, the NC will strive to ensure that the search for candidates for Board appointments will include female candidates that meet the set requirements for a new candidate, if the opportunity arises.

CORPORATE GOVERNANCE STATEMENT

All Board appointments will be made on merit, taking into account the skills, experience, independence and knowledge that the particular director can bring to the Board and with due regards for the benefits of diversity on the Board. The NC has reviewed the current composition of the Board and is of the view that the current Board members comprise persons whose diverse skills, experience and attributes provide for effective direction for the Group as follows:

Core Competencies	Number of Directors	Proportion of Board
– Accounting or finance	3	50%
– Business management	6	100%
– Legal or corporate governance	2	33%
– Relevant industry knowledge or experience	3	50%
– Strategic planning experience	6	100%

Detailed description of the Directors' background and experience are disclosed under the "Board of Directors" section of the Annual Report.

Provision 2.5
Role of Non-Executive Directors
During the year, the Non-Executive Directors constructively challenge and help develop both the Group's short-term and long-term business strategies. Management's progress and performance in implementing such agreed business strategies are monitored by the Non-Executive Directors.

During the year, the Non-Executive Directors who are also Independent Directors, led by the Lead Independent Director communicate among themselves without the presence of Management as and when the need arises, and thereafter where appropriate, the Lead Independent Director provides inputs to the Board. The Company also benefits from Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board committee meetings.

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

Provisions 3.1 and 3.2
Separate role of Chairman and Joint Managing Directors
Prior to 1 July 2022, Mr Henry Ngo was both the Managing Director (CEO equivalent) and Chairman of the Board. As part of the leadership development and succession planning of the Company, effective from 1 July 2022, Mr Henry Ngo continues as Chairman but stepped down as Managing Director followed by the appointment of Mr Gary Xie and Mr Andy Xie as Joint Managing Directors ("Joint MDs"). Mr Gary Xie and Mr Andy Xie are the sons of Mr Henry Ngo.

The roles of Chairman and Joint MDs are clearly established as distinct where Chairman manages the business of the Board, and the Joint MDs and their teams implement the strategy into executive action. In assuming their roles and responsibilities, the Joint MDs consult with the Board, AC, NC and RC on major issues. There is also a strong element on the Board with half the Board made up of Independent Directors and the appointment of a Lead Independent Director.

Roles and Responsibilities of Chairman

As Chairman, Mr Ngo's responsibilities include:

- leading the Board in its role;
- scheduling of meetings (with assistance from the Company Secretary) to enable the Board to perform its duties responsibly while not interfering with the flow of the Group's operations;
- preparing meeting agenda;
- reviewing most board papers before they are presented to the Board;
- promoting openness and candour among the Directors to ensure effective participation and contribution by the Directors in meetings and in communications among the Board and between the Directors and Management; and
- promoting corporate governance.

Roles and Responsibilities of Joint MDs

Prior to their current appointment, the Joint MDs, as senior executives in the management team supporting the Executive Chairman, have acquired considerable experience and knowledge of the businesses of the Group. Mr Gary Xie is overall in charge of the Group's management, business and financial strategy, investments and operations. Mr Gary Xie with his financial skills takes charge of financial management and has oversight over the Group's financial reporting and regulatory compliance. Mr Andy Xie is overall responsible for the Group's management, business, operations and investments. Mr Andy Xie with his engineering background has oversight over the Group's technology and operational needs.

Provision 3.3
Lead Independent Director

Mr Chew Heng Ching is the Lead Independent Director. As Lead Independent Director, he is the principal liaison on Board issues between the Independent Directors and the Chairman. He is available to shareholders where they have concerns in which contact through the normal channels of the Executive Chairman and Executive Directors has failed to resolve or is inappropriate.

The Independent Directors, led by the Lead Independent Director, meet amongst themselves without the presence of the other Directors as and when applicable, and the Lead Independent Director will provide feedback to the Chairman after such meetings.

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

Provisions 4.1 and 4.2
Nominating Committee

The NC comprises the following members:

Mr Chew Heng Ching (Chairman)
Mr Fong Heng Boo
Mr Teo Lip Hua Benedict
Mr Henry Ngo

CORPORATE GOVERNANCE STATEMENT

All members of the NC (including the Chairman) are independent and non-executive directors, except for Mr Henry Ngo who is the Chairman of the Board.

The NC functions under written terms of reference which sets out its responsibilities as follows:

a. the review of board succession plans for Directors in particular, the Chairman, Joint MDs and key management personnel;
b. the development of a process for evaluation of the performance of the Board, its Committees and Directors;
c. the review of training and professional development programs for the Board;
d. the appointment and re-election of Directors (including Alternate Directors, if applicable); and
e. determining annually the independence of the Independent Directors

Succession planning

The NC will review board succession plans for Directors, and will seek to refresh the Board membership in an orderly manner where it deems applicable. In FY 2021, under the NC's oversight, there was a refreshment of the Board with the appointment of Mr Fong Heng Boo and Mr Teo Lip Hua Benedict in place of retiring Directors, Mr Tom Yee Lat Shing and Mr Yeo Wee Kiong who had served on the Board for more than 9 years. In FY 2022, the NC supported the appointment of Mr Gary Xie and Mr Andy Xie as Joint MDs as part of the leadership development and succession planning of the Company. The NC will also ensure that the Company has succession planning for its key management personnel, including appointing, training and mentoring successors. The NC has reviewed contingency arrangements for any unexpected incapacity of the Joint MDs or any of the key management personnel and is satisfied with procedures in place to ensure a transition to a full operational management team.

Provision 4.3
Selection, appointment and re-appointment of Directors
The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board is of the appropriate size and has the mix of expertise and experience, and collectively possess the necessary core competencies for effective functioning and informed decision-making.

Where there is a resignation or retirement of an existing Director, the NC will re-evaluate the Board composition to assess the competencies for the replacement. The NC will deliberate and propose the background, skills, qualification and experience of the candidate it deems appropriate. The factors taken into consideration by the NC could include among other things, whether the new Director can add to or complement the mix of skills and qualifications in the existing Board, relevance of his experience and contributions to the business of the Company and the depth and breadth he could bring to Board discussions. Candidates are sourced through a network of contacts and identified based on the established criteria. Search can be made through relevant institutions such as the Singapore Institute of Directors, professional organisations or business federations or external search consultants. New Directors will be appointed by way of a Board resolution, after the NC makes the necessary recommendation to the Board.

The Company's Constitution provides that one-third of the Directors for the time being or if their number is not a multiple of 3, then the number nearest to one-third shall retire from office at each general meeting of the Company. Pursuant to the Company's Constitution, Mr Chew Heng Ching and Mr Gary Xie Guojun will retire by rotation pursuant to Regulation 106 of the Constitution and are eligible for re-election at the forthcoming annual general meeting. Mr Chew and Mr Gary Xie have consented to re-election.

CORPORATE GOVERNANCE STATEMENT

The NC has recommended to the Board, the re-election of Mr Chew and Mr Gary Xie after taking into consideration their contribution and performance. Mr Chew has abstained from participating in any deliberation and decision of the NC and the Board in respect of the assessment of his own performance or re-election as a Director. Mr Gary Xie has abstained from the deliberation and decision of the Board on his re-election as a Director. The Board has accepted the NC's recommendation.

The information as set out in Appendix 7.4.1 of the Listing Manual in respect of Mr Chew and Mr Gary Xie are provided on pages 48 to 49 of this Annual Report.

Provision 4.4
Determining Directors' Independence
Each Independent Director completes a checklist to confirm his independence on an annual basis. The NC has reviewed the independence of the Directors in accordance with Provision 2.1 of the Code and the Listing Rules in effect as at the date of this Annual Report, and determined that the Independent Directors are independent. Each of the Independent Directors has abstained from such NC's review of his own independence.

Provision 4.5
Multiple Board Representations
The NC considers and it is of the view that it would not be appropriate to set a limit on the number of directorships that a Director may hold because Directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities, and it is for each Director to personally determine the demands of his or her competing directorships and obligations and assess the number of directorships they could hold and serve effectively.

The NC has considered the multiple directorship of some Directors, as shown on page 48 to page 49 of this Annual Report. The NC has also considered the Directors' principal commitments and their contribution to the Board, the NC is satisfied that the Directors spent adequate time on the Company's affairs and have duly discharged their duties.

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

Provisions 5.1 and 5.2
Conduct of Board Performance
The NC has established a formal evaluation process to assess the effectiveness of the Board as a whole and the Board Committees and the contribution of individual Directors to the effectiveness of the Board.

Each year, the Directors were requested to complete appraisal forms to assess the overall effectiveness of the Board and the Board Committees, as well as each individual Director's contributions to the Board and Board Committees. The results of the appraisal exercise were considered by the NC, which then made recommendations to the Board, aimed at helping the Board discharge its duties more effectively.

CORPORATE GOVERNANCE STATEMENT

– *Evaluation of the Board*

The performance criteria for Board evaluation are approved by the Board and focus on Board composition, maintenance of independence, Board information, Board process, Board accountability, communication with Management and standard of conduct. The performance criteria have not changed year on year.

The NC will review the performance of the Board against the above criteria and its overall performance in terms of its role and responsibilities and the conduct of its affairs as a whole for the financial year under review.

– *Evaluation of Board Committees*

The performance of the Board Committees is evaluated against their terms of reference and the objectivity and independence in their deliberations and recommendations they presented to the Board.

For the year under review, the NC has reviewed and considered the performance of the Board and Board Committees satisfactory.

– *Evaluation of Individual Director*

The individual Director is assessed on his knowledge of the Group's business and operations, business acumen, knowledge of corporate governance, contribution and engagement, communication and integrity. The Chairman will act on the results of the performance evaluation, and, in consultation with the NC, propose, where appropriate, new members to be appointed to the Board or seek the resignation of directors.

For the year under review, for Directors with multiple board representations, the NC has evaluated to ensure that the Director is able to carry out and has been adequately carrying out his duties as a Director of the Company. The Board is satisfied that each Director has allocated sufficient time and resources to the affairs of the Company.

The Company does not use any external professional facilitator for the assessments of the Board, Board Committees and individual Directors, and will consider the use of such facilitator as and when appropriate.

REMUNERATION MATTERS

PRINCIPLE 6:

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

Provisions 6.1 and 6.2
Remuneration Committee
The RC comprises three members, all of whom are independent and non-executive:

Mr Teo Lip Hua Benedict (Chairman)
Mr Chew Heng Ching
Mr Fong Heng Boo

CORPORATE GOVERNANCE STATEMENT

The RC functions under written terms of reference which sets out its responsibilities. The RC recommends to the Board a Directors' fee framework for the Board and key management personnel. The Non-Executive Directors do not receive any remuneration other than Directors' fees. The Executive Directors do not receive any Directors' fees.

The RC reviews the specific remuneration packages of each Executive Director and for the key management personnel and submit its recommendations to the Board. The RC reviews the remuneration of employees who are immediate family members of a Director or the Joint MDs to ensure that the remuneration of such employee is commensurate with his or her duties and responsibilities, and no preferential treatment is given to him or her.

During the year, the RC considered and approved the fee framework for Non-Executive Directors and the remuneration packages of the Executive Directors which are submitted and approved by the Board. No member of the RC was involved in deciding his or her own remuneration.

Provision 6.3
Review of remuneration
All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses and benefits in-kind, will be covered by the RC. Each RC member will abstain from voting on any resolution in respect of his remuneration package. The recommendations of the RC will be submitted to the Board for endorsement.

The RC also reviews the Company's obligations arising in the event of termination of service of the Executive Directors and key management personnel. Each of the Executive Directors and key management personnel have an employment contract with the Company which can be terminated by either party giving notice of resignation/termination. Each appointment is on an ongoing basis and no onerous or over-generous removal clauses are contained in the letter of employment.

The Company does not have any contractual provisions in the employment contracts for the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the operating unit (and not on forward-looking results) as well as individual performance, "claw-back" provisions in the service agreements may not be relevant or appropriate.

Provision 6.4
Engagement of remuneration consultants
The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The expense of such services shall be borne by the Company.

CORPORATE GOVERNANCE STATEMENT

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

Provision 7.1

Remuneration of Executive Directors and Key Management Personnel

The Board previously engaged an independent human resource consultancy firm to assist in reviewing the competitiveness of the remuneration packages for the Executive Directors and fees paid to Non-Executive Directors and to make recommendations thereon. Based on the recommendations, the Committee had devised a performance-related remuneration scheme for the Executive Directors. This scheme was subsequently approved by the Board. The scheme is linked to the Company's performance as well as the individual's performance, the performance is largely assessed by the financial performance of the Group as well as his contribution.

In 2012, the Company commissioned Aon Hewitt to undertake a review of Senior Executives' compensation to benchmark the remuneration of the Executive Directors against comparable companies in the industry. The RC is guided by the Aon Hewitt's Senior Executive Compensation Benchmarking Report for the Company in its review of the Executive Directors to ensure that they are not overly or underly compensated. Key management personnel are paid a fixed monthly salary and variable bonus based on a combination of the Group's performance, their operating unit performance and individual performance.

Provision 7.2

Remuneration of Non-Executive Directors

The Board has recommended a fixed fee for Non-Executive Directors, and is of the view that the remuneration of the Directors is appropriate and not excessive, taking into account the effort, time spent and responsibilities of each Non-Executive Director. The RC views that it is not appropriate to implement a scheme to encourage Non-Executive Directors to hold shares in the Company when there is no share incentive scheme for both Executive Directors and management personnel.

The fees of Non-Executive Directors will be subjected to shareholders' approval at the annual general meeting.

Provision 7.3

Appropriate remuneration to attract, retain and motivate key management personnel and directors

The RC is satisfied that the remuneration structure of the Executive Directors and key management personnel as described under Provision 7.1 and that for the Non-Executive Directors as described under Provision 7.2 are appropriate to attract, retain and motivate the Directors to continue in their role as stewards of the Company and the key management personnel to contribute to the performance of the Group.

CORPORATE GOVERNANCE STATEMENT

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

Provision 8.1
Remuneration Report

Directors

Details on the remuneration of Directors and key management personnel for the year under review are presented in the following tables. During the year, there was no termination, retirement or post-employment benefits granted to any Director or key management personnel.

	Mix of Remuneration				
	Directors' Fees	Salary	Bonus	Others	Total
$500,001 to $750,000					
Henry Ngo	–	91%	8%	1%	100%
$250,001 to $500,000					
Gary Xie Guojun	–	91%	9%	–	100%
Andy Xie Guoyuan	–	91%	9%	–	100%
Below $250,000					
Chew Heng Ching	100%	–	–	–	100%
Fong Heng Boo	100%	–	–	–	100%
Teo Lip Hua Benedict	100%	–	–	–	100%

Directors' remuneration are disclosed on a named basis in bands of S$250,000 along with the mix of the fixed and variable components, in the interest of the Company to maintain confidentiality of its remuneration policies. Mr Henry Ngo is the Executive Chairman and his remuneration is disclosed above. Mr Ngo does not receive any additional Directors' fees.

While the exact remuneration of the Directors are not given, the level and composition of the Executive Directors' remuneration packages expressed in percentage terms are provided as above. The Company believes that such disclosure will balance the interest of the Company and provide shareholders with an adequate appreciation of the Executive Director's remuneration packages and is consistent with the intent of Principle 8 of the Code.

Top 5 Key Management Personnel (who are not Directors)

	Mix of Remuneration			
	Salary	Bonus	Others	Total
$250,001 to $500,000				
Executive 1	48%	49%	3%	100%
Executive 2	65%	26%	9%	100%
Below $250,000				
Executive 3	71%	10%	19%	100%
Executive 4	64%	9%	27%	100%
Executive 5	100%	0%	0%	100%

CORPORATE GOVERNANCE STATEMENT

The top 5 key management personnel comprise general managers and financial controllers in the Group's industrial division and in the Group's hotel operations across different jurisdictions. Under the foreign jurisdictions, there is no requirement for corporations to disclose the detailed remuneration of individual executives. The disclosure in Singapore would affect the confidentiality of their remuneration. The foreign subsidiaries would be put into a position of unequal treatment in governing the confidentiality of their employees' remuneration. Such foreign executives would be disadvantaged unfairly.

Disclosure of the names of the key management personnel will give rise to pay comparisons when remuneration among them are not comparable as remuneration among jurisdictions vary according to different market conditions and cost and standard of living.

In addition, given the highly competitive conditions in the local and foreign market place where poaching of executives is not uncommon, it is not in the interest of the Company from a business perspective to disclose the remuneration of individual executives. The Board is of the view that it would be disadvantageous to the Group to detail the remuneration of its top 5 key management personnel. Loss of key management personnel involves considerable time and costs in seeking replacement and time for new key management personnel to be inducted into the operational processes which would impact the Company's competitiveness. The Company believes the above disclosure provides a balance between the interest of the Company and provision of information to shareholders and is consistent with the intent of Principle 8 of the Code.

The aggregate of the total remuneration paid to the top five key management personnel (who are not Directors) is $1,413,143.

Provision 8.2
Remuneration of Employees who are Substantial Shareholders or Immediate Family Members of a Substantial Shareholder, Director or the CEO

Other than Ms Alexys Tjhia and Ms Lydia Tjhia, daughters of Mr Henry Ngo and siblings of Mr Gary Xie and Mr Andy Xie, there is no immediate family member of the Directors employed in the Group, whose annual remuneration exceeds $100,000. Ms Alexys Tjhia's annual remuneration is within the bands of $100,000 to $150,000. Ms Lydia Tjhia's annual remuneration is within the bands of $150,001 to $200,000.

Provision 8.3
Employee Share Scheme
The Company does not have any share option or other share incentive schemes for its employees. The RC has reviewed and is satisfied that the existing remuneration structure of management personnel and executives paid out in cash would continue to be adequate in incentivising performance without being over-excessive. For other staff, the general preference is to be paid out in cash.

For the year under review, the RC has reviewed the remuneration of Executive Directors, key management personnel and Non-Executive Directors in accordance with their performance criteria and recommended them to the Board. The Board has endorsed the RC's recommendations.

CORPORATE GOVERNANCE STATEMENT

RISK MANAGEMENT AND INTERNAL CONTROLS

PRINCIPLE 9:
The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives

Provision 9.1
Risk Management and Internal Controls System
The Group recognised the importance of maintaining a sound system of risk management and internal controls to safeguard the shareholders' interest and the Group's assets. The Group maintains a system of internal controls for all companies within the Group. The controls are to provide reasonable assurance (but not absolute guarantee) that assets are adequately safeguarded, operational and information technology controls are in place, business risks are suitably addressed and proper accounting records are maintained.

The responsibility of overseeing the Company's risk management framework and policies is undertaken by the AC with the assistance of the internal auditors. Having considered the Company's business operations as well as its existing internal control and risk management systems, the Board is of the view that a separate risk committee is not required for the time being.

At least annually, with the assistance of the Internal Audit function and through the AC, the Board reviews the adequacy and effectiveness of the key internal controls and risk management on an ongoing basis, provides its perspective on management control and ensures that the necessary corrective actions are taken on a timely basis. There are formal procedures in place for both the internal and external auditors to report independently conclusions and recommendations to Management and to the AC.

The Group's system of internal controls has a key role in the identification and management of risks that are significant to the achievement of its business objectives. The process of business risk management has been integrated throughout the Group into business planning and monitoring process. Management continuously evaluates and monitors the significant risks. The Board reviews the overall risk management process to ensure that there are adequate and effective controls and other processes in place to manage the significant risks identified in accordance with the Group's risk appetite and risk tolerance level.

The significant macro-level risk factors relevant to the Group's operations and the associated mitigating factors are discussed as follows:

- **Property Division**

Economic or market risks
Such risks may arise from over-supply of office and retail space and lack of demand due to weak economy. We conduct regular environmental scanning and update our marketing intelligence system continuously so that we can respond to such market risks on a timely basis.

Social and political risks
Such risks may result in damages to property arising from riots, sabotage or terrorist attacks. We manage such risks by implementing tight security measures and taking up appropriate insurance policies.

Legal risks
Such risks may arise from defects in the property, plant and equipment that may lead to bodily harm or property losses and hence legal claims arising from tenants and third parties. We address these risks through a comprehensive preventive maintenance program and taking appropriate property insurance and third-party liability insurance.

CORPORATE GOVERNANCE STATEMENT

- **Hotel Division**

Country risks

Country risks could arise from possible nationalisation of assets by any new and regressive government gaining power in the foreign countries where the Group operates in. Such risks are beyond our control. Further, we remit earnings in these countries back to Singapore as soon as is practicably possible.

Economic, social and political risks

Such risks could arise from over-supply of hotel rooms and lack of demand due to falling tourist arrivals in Tunisia, Mauritius, Zanzibar, Maldives, Bintan, Morroco, Singapore and Australia. Local conditions such as political instability, war, riots, sabotage or even terrorist attacks could affect tourist arrivals. We manage these risks through a close monitoring system. Insurance policies are also taken up where appropriate.

- **Industrial Division**

Economic and market risks

The waste disposal and contract cleaning industry are very competitive with many new players trying to under-bid or under-cut the fee of incumbent service providers in gaining market access or market share. Loss of major contract may severely impact the operations of this division. We address such risks by ensuring that we operate within certain market niches where we have competitive advantages and that our costs are controlled to help us remain competitive.

Risks associated with labour-intensive operations

The lack of local workers willing to take up employment within this industry poses a major challenge to our labour-intensive operations. The employment of foreign workers is subjected to governmental control. The employment costs for the industry are generally on the rise. As we are generally reliant on labour for contractual fulfilment, the ability to attract and retain a pool of manual workers who are capable of performing the services required in a cost-efficient and accident-free manner will be the key to us remaining in the competition.

- **Corporate Level**

Financial risk

Such risks include interest rate risk, foreign currency risk from foreign currency denominated assets and liabilities as well as foreign investments and credit risk arising from payment default by customers or tenants. We manage such risks mainly by monitoring the rate movements in the financial market closely, hedging the fluctuation risks by the use of the appropriate hedge instruments and putting a formal credit evaluation and collection system in place.

Operational risks that may result in fraud and error

The sheer diversity and scale of our operations subject us to such risks. We address these risks by instituting standards on corporate governance, setting a code on ethical conduct, promoting fraud awareness and control consciousness, implementing proper system of internal controls and maintaining an Internal Audit function.

Provision 9.2

Assurances to the Board

The Board has received the written assurances from Mr Gary Xie Guojun as Joint MD and the Group Finance Manager that the financial records have been properly maintained and the financial statements for FY2022 give a true and fair view of the Group's operations and finances; and that the Group's risk management and internal control systems are adequate and effective to address key financial, operational, compliance and information technology risks.

Management has obtained similar assurances from the General Manager and Financial Controller (or equivalent positions) of each operating Group entity.

CORPORATE GOVERNANCE STATEMENT

Board's Comment on Adequacy and Effectiveness of Internal Controls

Based on the risk management process, internal controls maintained, work performed by the internal auditor, statutory audit review undertaken by the external auditors, and the above written assurances from Joint MD and Group Finance Manager, the Board, is of the opinion that adequate and effective internal control systems to address the risk relating to financial, operational, compliance and information technology controls and risk management systems have been in place for the year ended 31 December 2022. The AC concurs with the Board.

Following the close of the year ended 31 December 2022, international bodies and national governments have imposed sanctions with the aim of achieving foreign policy or national security goals. Although the Group has principal place of business outside Singapore with customers overseas, none of the Group's person or entity is exposed to sanctions-related law or regulation ("Sanctions Law").

The Board confirmed there has been no material change in its risk of being subject to any Sanctions Law.

The Board's comment as aforementioned on the adequacy and effectiveness of internal controls and risk management systems included consideration related to any Sanctions Law. The Board and AC will be responsible for (a) monitoring the issuer's risk of becoming subject to, or violating, any Sanctions Law; and (b) ensuring timely and accurate disclosures to SGX and other relevant authorities.

AUDIT COMMITTEE

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

Provisions 10.1 and 10.2
Audit Committee
The AC comprises the following members, all of whom are independent and non-executive:

Fong Heng Boo (Chairman)
Chew Heng Ching
Teo Lip Hua Benedict

The AC Chairman is independent. All the members of the AC are Non-Executive Directors.

– *Expertise of AC Members and AC to Keep Abreast of Changes to Accounting Standards*

The Chairman of the AC, Mr Fong Heng Boo has over 48 years of experience in auditing, finance, business development and corporate governance. Mr Fong graduated from the University of Singapore (now known as the National University of Singapore) with a Bachelor of Accountancy (Honours) in 1973. Mr Chew Heng Ching is a Fellow of CPA Australia. Mr Teo Lip Hua Benedict is an advocate and solicitor of the Supreme Court of Singapore. They bring to the AC extensive accounting and legal experience. All the AC members are kept up to date with changes in accounting standards and issues through updates from the external auditors. The Board is of the view that the members of the AC have sufficient accounting and financial management expertise and experience to discharge the AC's functions.

The AC is kept abreast by the Management, external and internal auditors on the changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements.

CORPORATE GOVERNANCE STATEMENT

– *Roles, Responsibilities and Authorities of AC*

The AC functions under written terms of reference which sets out its responsibilities. The AC reviewed the financial statements of the Group for the year ended 31 December 2022, in particular significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and announcements relating to the Group's financial performance before they are submitted to the Board for approval. The AC also reviewed the interested person transactions of the Group. The AC oversees the administration of the framework for whistleblowing. The AC has oversight of risk management and internal control framework. The services of the Internal Audit function are utilised to assist the AC in the discharge of its duties and responsibilities. The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by Management, full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions.

The financial statements, accounting policies and system of internal controls are the responsibilities of the Board acting through the AC. In performing its functions set out in Section 201B(5) of the Companies Act 1967, the AC reviewed the scope of work of both internal and external auditors and the assistance given by the Group's officers to the audits. It met periodically with the Company's internal and external auditors to review their audit plans and discuss the results of their respective examinations and their evaluations of the Group's system of internal controls. For FY2022, the AC reviewed the aforesaid assurances given to the Board as set out in Principle 9, and further through its review with the internal auditors and external auditors on their audit findings, is satisfied with the adequacy and effectiveness of the Group internal controls and risk management systems and report the same to the Board.

The AC Committee always has separate and independent access to the external auditors and the internal auditors. The AC also reviewed the key audit matters ("KAM") set out in the auditor's report for FY2022 and wishes to provide its perspective on the KAM.

Key audit matters	How these issues were addressed by the AC
Valuation of investment properties	The AC reviewed the outcomes of the valuation process and discussed the details of the valuation with Management. The AC has considered the findings of the external auditors, including their assessment of the appropriateness of the valuation methodologies and the underlying key assumptions applied in the valuation of investment properties. The AC was satisfied with the valuation process, the methodologies used and the valuation for investment properties as adopted and disclosed in the financial statements.
Revenue recognition from waste disposal and contract cleaning	The AC reviewed the accounting treatment and estimate in relation to recognition of revenue. The AC has considered the findings of the external auditors, including their assessment of the appropriateness of the revenue recognition policies and the underlying key assumptions applied in the recognition of revenue. The AC was satisfied with the accounting treatment and the basis of the estimates appear reasonable.

CORPORATE GOVERNANCE STATEMENT

In accordance with the principles set out in the Code, the AC is satisfied that it:

- has full access to and cooperation from Management as well as discretion to invite any director, executive or otherwise, to attend its meetings;
- has been given reasonable resources to enable it to complete its functions properly; and
- has reviewed findings and evaluations of the system of internal controls with internal and external auditors.

The AC is satisfied with the assistance given by the Group's officers to the audit functions.

– *Independence of External Auditors*

The Company confirms compliance with Rule 712 of the Listing Manual in engaging PricewaterhouseCoopers LLP ("**PwC**"), as the external auditor of the Company for FY2022 which is registered with the Accounting and Corporate Regulatory Authority. Pursuant to Rule 715 of the Listing Manual, PwC are the external auditors of the Company and of its Singapore subsidiaries (except Richvein Pte Ltd). The Company engages Ernst & Young LLP as the auditor of Richvein Pte Ltd and other suitable audit firms for its foreign subsidiaries for FY2022. Pursuant to Rule 716 of the Listing Manual, the Board and AC are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the Company. The AC has reviewed the amount of non-audit services rendered to the Group by PwC. During the year, the fees paid to the external auditor of the Company for non-audit services amounted to $59,000 or 19.3% of the audit fee. Being satisfied that that the nature and extent of such services will not prejudice the independence and objectivity of PwC as the external auditor, the AC has recommended their re-nomination to the Board.

The Company has complied with Rules 712, 715 and 716 of the Listing Manual in relation to the engagement of PwC as its auditor for FY2022.

– *Whistle-blowing Policy*

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

The Company has in place a channel for whistleblower to raise concerns to an Information Receiver who is the Human Resource Manager, General Manager, Chairman or Independent Directors of the Company depending on the staff level of the perpetrator in the whistleblowing concern.

All whistleblowing reports will be handled confidentially, except as necessary or appropriate to conduct investigation and to take remedial action, in accordance with the applicable law and regulations. In this regard, the identity of the whistleblower making the allegation will be kept confidential and confined to disclosures on a need-to-know basis to the AC, the investigating team, the Board of Directors of the Company; and any party to whom the identity of the whistleblower is required to be disclosed by law.

Investigation to be carried out on a whistleblowing report will be referred to the AC who shall nominate an independent investigation team to conduct the investigation. All members of the investigation team shall be independent and conduct the investigation impartially. Depending on the nature of the whistleblowing matter or information provided, the investigation team (upon approval from the AC) may consult external professionals with relevant knowledge or experience to assist with the investigation. Following investigation and evaluation of a whistleblowing report, the AC shall decide on the appropriate action.

CORPORATE GOVERNANCE STATEMENT

The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern. Furthermore, no person should suffer reprisal as a result of reporting a genuine concern, even if they turn out to be mistaken. If the whistleblower has suffered adverse treatment, harassment or victimisation as a result of his or her disclosure, he or she should submit a formal complaint under the grievance procedure to the Human Resource Manager and any higher authority, as appropriate, An investigation may take place and disciplinary action may be taken against any person who attempts to impede, prevent, or obstruct a whistleblowing report from being made or an investigation from being carried out; or harass or victimise the whistleblower or subject the Whistleblower to detrimental or unfair treatment.

Provision 10.3
Partners or Directors of the Company's Auditing Firm
No former partner or Director of the Company's existing auditing firm or auditing corporation is a member of the AC.

Provision 10.4
Internal Audit Function
The AC approves the hiring, removal, evaluation and compensation of the Internal Auditor ("IA"). The Company's internal audit function is outsourced to one of the Big 4 Certified Public Accounting Firms. The IA is a corporate member of the Institute of Internal Auditors Singapore, and staffed with professionals with relevant qualifications and experience. The AC is satisfied that the internal audit function has adequate resources to perform its function effectively. The internal audit follows the professional standards set by the Institute of Internal Auditors. IA confirms their independence to the AC.

IA plans its internal audit schedules in consultation with, but independently of, management and its internal audit plan is submitted to the AC for approval at the beginning of each year.

The IA reviews the effectiveness of the Company's risk management system and key internal controls, including financial, operational and compliance controls for selected scope of review annually, as approved by the AC. The IA reports independently on their findings and recommendations to the AC for review. The IA reports primarily to the Chairman of the AC and has full access to the Company's documents, records, properties and personnel of the Group, including access to AC.

Other audit professionals are engaged from time to time to complement the work of the existing IA team in overseas assignments where language would be a barrier.

The AC reviews the adequacy of the internal audit function to ensure that internal audits are conducted effectively and that management provides the necessary co-operation to enable the IA to perform its function. The AC also reviews the IA's reports and remedial actions implemented by Management to address any internal control inadequacies identified.

Based on the foregoing, the AC is satisfied that the internal audit function is independent, effective and adequately resourced.

Provision 10.5
Meeting with External and Internal Auditors without presence of the Management
The AC meets with both the internal and external auditors without the presence of the Management at least once a year.

SHAREHOLDERS' RIGHTS AND CONDUCT OF GENERAL MEETINGS

PRINCIPLE 11

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

Provisions 11.1

Providing Opportunity for Shareholders to Participate and Vote at General Meetings

Every shareholder has the right to receive notice of general meetings and to vote thereat. Notice of a general meeting is sent out at least 14 days before the meeting so that sufficient notice of meeting is given to shareholders to attend the meeting or appoint proxies to attend and vote in their stead.

At the annual general meeting, shareholders are given the opportunities to express their views and ask the Board and management questions regarding the operations of the Company. The Directors, including the chairpersons of each of the Board Committees are available at the meetings to address shareholders' queries. The external auditors shall also be present to assist the Directors in addressing any relevant queries by the shareholders.

All resolutions at general meetings are required to put to vote by electronic poll. Shareholders are briefed on the poll voting procedures. Votes cast for, or against, each resolution will be read out to shareholders immediately after vote tabulations. The total numbers of votes cast for or against the resolutions are also announced after the general meetings via SGXNET.

Due to the COVID-19 situation, the AGMs in 2021 and 2022 were held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Shareholders could not attend the meeting in person and alternative arrangement was made for them to attend virtually via live audio-visual webcast or live audio only stream. Shareholders were allowed to vote by submitting proxy forms appointing Chairman of the meeting as their proxy. Shareholders were requested to submit their questions ahead of the meetings. Questions raised by the shareholders were addressed ahead of the meetings and published on the Company's corporate website and on SGXNET.

In view of the continuing COVID-19 situation, the Company will conduct the forthcoming annual general meeting by electronic means with enhancements to include live voting and live Q&A (Questions-and-Answers) at the annual general meeting.

Provision 11.2

Separate Resolutions at General Meetings

The Company will have separate resolutions at general meetings on each distinct issue. For resolutions that are special business, explanations are given in the accompanying notes to the Notice of the AGM. For resolutions on the election or re-election of directors, information on the Directors as set out in Appendix 7.4.1 of the Listing Manual are given in this Annual Report.

Provision 11.3

Attendance of Directors and Auditors at General Meetings

In 2022, the Company held one general meeting which was attended by all the Directors in office then.

The Directors, including the chairpersons of each of the Board Committees are available at the meetings to address shareholders' queries. The external auditors shall also be present to assist the Directors in addressing any relevant queries by the shareholders.

CORPORATE GOVERNANCE STATEMENT

Provision 11.4
Absentia Voting
The Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act 1967) to appoint one or two proxies to attend and vote at its general meetings in his absence. The Companies Act allows relevant intermediaries which include CPF Approved Nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of the Company as their CPF Approved Nominees' proxies.

Provision 11.5
Minutes of General Meetings
The Company prepares minutes of general meetings detailing the proceedings and questions raised by shareholders and answers given by the Board and Management. The minutes will be taken and published in the Company's corporate website at http://www.bonvests.com.sg.

Provision 11.6
Dividend Policy
The Company does not have a policy on payment of dividend. The Board will consider the Group's level of cash and retained earnings and projected capital expenditure and investments in proposing a dividend.

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

Provision 12.1
Avenues for Communication between the Board and Shareholders
The Board strives to ensure that timely disclosure is made regarding all material business matters affecting the Group so as to maintain a high level of transparency. All announcements by the Company are made through SGXNET.

The Company's annual general meeting is a forum for the shareholders to engage the Board to ask questions on the resolutions tabled at the annual general meeting and to express their views.

The Group also maintains a website at http://www.bonvests.com.sg at which shareholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group.

Provisions 12.2 and 12.3
Investor Relations
The Company's investor relation policy is to communicate with its shareholders and the investment community through the timely release of announcements to the SGX-ST via SGXNET, including the financial results of the Group. The notices of general meetings are redistributed to shareholders at least 14 days before each annual general meeting.

In accordance with the Listing Rules, the Board's policy is that all shareholders be informed on a timely basis of all major developments that impact the Group. The Company does not practice selective disclosure and price sensitive information is publicly released on an immediate basis where required under the Listing Rules.

CORPORATE GOVERNANCE STATEMENT

To further enhance its communication with the investors, the Company's website allows the public to have access to information on the Group including the Company's announcements made to the SGX-ST and the contact email at investorrelations@bonvests.com.sg.

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

Provisions 13.1 and 13.2

Engage with its material stakeholder groups

The Group's material stakeholders are its shareholders, customers, employees, business partners and the community and the Company engages with them through its sustainability initiatives and corporate social responsibility set out in its Sustainability Report for FY2021 issued in May 2022.

The Company has published its Sustainability Report for FY2022 together with this Annual Report.

Provision 13.3

Corporate website to communicate and engage with stakeholders

The Group maintains a corporate website at http://www.bonvests.com.sg which stakeholders can access information on the Group. The website provides, inter alia, corporate announcements, and profiles of the Group. Shareholders and stakeholders are provided with an investor relations contact at investorrelations@bonvests.com.sg to contact the Company.

OTHER CORPORATE GOVERNANCE MATTERS

Dealing in Securities

In line with SGX-ST Listing Rule 1207(19) on Dealings in Securities, the Company issues circulars to its Directors and employees to remind them that: (1) they should not deal in shares of the Company on short-term considerations or if they are in possession of unpublished material price-sensitive or trade sensitive information; and (2) they are required to report on their dealings in shares of the Company.

The officers have been reminded of the prohibition in dealings in shares of the Company one month before and up to the release of the half year and full year financial statements ("restricted trading periods"). The restriction in Dealings in Securities is also extended to employees of the Company.

The Company confirms it has complied with the best practice pursuant to Listing Rule 1207(19)(c) in not dealing in its securities during the restricted trading periods

CORPORATE GOVERNANCE STATEMENT

Interested Person Transactions

The Group has adopted an internal policy in respect of any transactions with interested persons and requires all such transactions to be at arm's length and reviewed by AC. The details of the interested person transactions conducted during the year are disclosed as follows:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholder's mandate pursuant to Rule 920 (excluding transactions less than S$100,000)[1]
Allsland Pte Ltd	Associate of Mr Henry Ngo, Director and controlling shareholder	467,940	NA

1 The Company does not have a general mandate for shareholders for recurring interested person transactions.

Material Contracts

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the Director, or substantial shareholder.

The Board is satisfied with the Group's commitment to compliance with the Code of Corporate Governance.

Name of Directors	Academic/Professional Qualifications/Affiliations	Board Appointment Executive/Non-Executive	Date Last Elected/ Re-Appointed/ Appointed
Henry Ngo	Higher School Certificate	Executive Chairman	26 April 2022
Gary Xie Guojun	Bachelor of Science in Business Administration, Cum Laude Master of Science in Real Estate with Distinction Master of Business Administration with High Honors CFA Charter Holder Member, Singapore Institute of Directors	Executive Director and Joint Managing Director	22 June 2020
Andy Xie Guoyuan	Bachelor of Science in Commerce Master of Science in Computer Information Systems Member, Singapore Institute of Directors	Executive Director and Joint Managing Director	26 April 2022
Fong Heng Boo	Bachelor of Accountancy (Honours)	Independent Non-Executive	26 April 2022

CORPORATE GOVERNANCE STATEMENT

Name of Directors	Academic/Professional Qualifications/Affiliations	Board Appointment Executive/Non-Executive	Date Last Elected/ Re-Appointed/ Appointed
Teo Lip Hua Benedict	Bachelor of Laws and a Master of Laws (Chinese Law), National University of Singapore Advocate & Solicitor, Supreme Court of Singapore Member, Singapore Academy of Law Member, Law Society of Singapore	Independent Non-Executive	26 April 2022
Chew Heng Ching	Degrees in Industrial Engineering (1st Class Honours) and Economics PhD in Engineering (Honorary) Fellow, Singapore Institute of Directors Fellow, CPA Australia	Independent Non-Executive	22 June 2020

Board Committee As Chairman or Member	Date First Appointed	Directorships/Chairmanships In Other Listed Companies in Singapore (Present & Held Over Preceding 3 Years) & Major Appointments
Member: Nominating	18 March 2002	**Listed Company** (1) Colex Holdings Limited (Delisted) (Past)
NA	1 June 2010	NA
NA	1 June 2016	NA
Chairman: Audit Committee Member: Nominating Member: Remuneration	1 July 2021 1 July 2021 1 July 2021	**Listed Companies** (1) TA Corporation Ltd (2) Livingstone Health Holdings Ltd (3) Keong Hong Holdings Limited (4) Asian American Medical Group Ltd (Past) (5) Colex Holdings Limited (Delisted) (Past) (6) CapitaLand China Trust Management Ltd (Past)
Member: Audit Committee Member: Nominating Chairman: Remuneration	1 July 2021 1 July 2021 1 July 2021	NA
Member: Audit Committee Chairman: Nominating Member: Remuneration	18 May 1995 1 July 2021 26 February 2007	**Listed Companies** (1) HL Global Enterprises Ltd (2) Ausgroup Limited (3) Pharmesis International Ltd (4) Spindex Industries Limited (Past) (5) Sinopipe Holdings Limited (Past) (6) Huan Hsin Holdings Ltd (Past) **Major Appointments** Member of Parliament (1984 – 2006) Deputy Speaker, Parliament of Singapore (2002 – 2006) Chairman, Singapore International Chamber of Commerce (2005 – 2007) Council Member, Singapore Business Federation (2008) President, Singapore Institute of Directors (1998 – 2003) Chairman, Singapore Institute of Directors (2004 – 2009)

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

ABOUT THE REPORT

This is our sixth annual sustainability report which covers the performance data and related information for material environmental, social, and governance (ESG) topics of Bonvests Holdings Limited and its subsidiaries. The report summarises the sustainability practices and initiatives for the period 1 January to 31 December 2022 (FY2022).

Reporting Scope

Although we practice sustainability throughout our business, the performance data in our sustainability report will encompass operations that are most material for the Group. As such, the data disclosed in our sustainability report covers our investment property, Liat Towers, and hotels including The Residence Tunis, The Residence Mauritius, The Residence Zanzibar, The Residence Maldives at Falhumaafushi, The Residence Maldives at Dhigurah, The Residence Bintan, La Maison Arabe and Riad Elegancia, Marrakech, Sheraton Towers Singapore and Four Points by Sheraton Perth.

Reporting Standard

Our sustainability report is in line with the Singapore Exchange (SGX) sustainability reporting listing requirements and references the Global Reporting Initiative (GRI) standards (2021). The GRI content index at the end of the report maps the GRI Standards and topic-specific disclosures referenced in this report. The report references the following GRI Standards and topic-specific Disclosures:

- Disclosure 205-3 from GRI 205: Anti-Corruption 2016
- Disclosure 302-3 from GRI 302: Energy 2016
- Disclosure 303-5 from GRI 303: Water and Effluents 2018
- Disclosure 404-3 from GRI 404: Training and Education 2016
- Disclosure 417-3 from GRI 417: Marketing and Labelling 2016

We have not sought external assurance for this reporting period but may consider doing so in the future.

In view of the SGX requirements for mandatory climate reporting for our industry (materials and buildings) from FY2024, we are also in the midst of aligning our internal processes and data reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to prepare and provide the climate-related disclosures in our FY2024 Sustainability Report.

Feedback

The Group welcomes all feedback to help us improve our sustainability practices. Please send your questions or feedback to investorrelations@bonvests.com.sg.

BOARD STATEMENT

The Board presents our Sixth Sustainability Report. As the Board of Directors (the "Board"), for Bonvests Holdings Limited and its subsidiaries (the "Group") we recognise the importance of sustainable business growth to both strengthen our industry position and deliver benefits to our shareholders, employees and other stakeholders. The Board oversees the direction of sustainability within the Group as well as the management of sustainability-related performance and development of the sustainability report.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

2020 has been an unprecedented year, marked by challenges from the ongoing COVID-19 pandemic which disrupted the lives of many globally. COVID-19 has created a difficult social and business environment, causing disruptions to operations throughout the world. It shaped our operations in 2021 and we made adaptations as it became apparent that the crisis was not going to dissipate anytime soon.

2021 was a year of adjustments and adaptations, as businesses and countries grappled with the ongoing challenges posed by COVID-19. We took calculated steps to navigate through headwinds and better equip ourselves for a post-COVID world.

2022 was the year where most countries re-opened their borders to travellers and gatherings were allowed to resume as the world shifts to living with COVID-19. At Bonvests, our paramount concerns were the mental well-being and physical health and safety of our employees, tenants, guests, and stakeholders, in addition to the sustainability of our business as we learn to live with the virus.

The Board has been involved in reviewing the material Environmental, Social and Governance (ESG) factors for the Group. These ESG factors were determined via a materiality assessment that was conducted to identify where to concentrate our sustainability efforts in high impact areas which support our business strategy. The Board has agreed that these ESG factors remain material for 2022. In addition, we will continue to oversee the management of our impacts in these areas as well as our performance and targets for the upcoming year.

Our Sustainability Report is aligned with the sustainability reporting regulatory requirements set by Singapore Exchange (SGX); SGX-ST Listing Rules 711A and 711B and references the GRI Standards (2021). In view of the SGX requirements for mandatory climate reporting for our industry (materials and buildings) from FY2024, we are also in the midst of aligning our internal processes and data reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to prepare and provide the climate-related disclosures in our FY2024 Sustainability Report.

An internal review programme to review the components reported in the Company's sustainability reporting has been approved by the audit and risk committee to review these areas over an internal audit cycle plan.

MANAGING BUSINESS CONTINUITY IN COVID-19

The extraordinary circumstances arising from COVID-19 has brought about substantial economic and social disruption across the world. Despite this, the Group continues to prioritise the health and safety of our stakeholders, in line with government advisories and guidelines.

During this period, we are regularly monitoring and reviewing the overall business and risk environment to ensure that our operations remain robust and sustainable whilst adopting the necessary precautions to protect our stakeholders.

Ensuring the safety and wellbeing of the employees in the workplace is essential. One of the adjustments the Group have made is to initiate or expand flexible work arrangements and other policies that allow associates to work remotely and safely. We will regularly communicate to align the government and health authorities' latest policies to help employees remain engaged as we navigate through the crisis. Where telecommuting or flexible work arrangements are not possible, such as the Group's hotel and resort operations where certain positions require direct contact with customers, the Group's hotels and resorts will provide training on infection protection measures, safe distancing guidelines, hygiene and cleaning audit and certification to ensure the associates are well aware of the appropriate procedures and are well prepared.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

With international borders gradually opening up, businesses continue to experience significant disruption and shifts in consumer demand and behaviour impacted by start-stop lockdowns in countries facing fresh COVID-19 outbreaks. The Group's hotels and resorts have actively pursued alternative business options such as domestic markets for staycations, changing meal preparation and service settings in accordance with the government's safe measurement guidelines for dine-in and banquet events, provision of online and mobile orders for meal delivery.

While we have come to terms with the impact of COVID-19 is having on our business, the crisis also reveals areas where we can build resilience and reshape our workforce during this challenging period. Tapping on government grants and skill redevelopment support, we have intensified the training programs to realign the hotels and resorts workforce for work redesign and organisational restructuring in preparation for recovery.

Despite the challenges, the Group continues to explore new ideas to contribute to the environmental sustainability efforts. In certain resorts where we have larger land area, we have a program to grow edible vegetable gardens and installed food digesters to recycle the food waste into compost. In Singapore where space is limited, a smaller scale edible vegetable garden and hydroponic system is being explored to promote the food sustainability. At Sheraton Towers Singapore, the hotel installed an ecoDigester System to convert 350kg of food waste every 24 hours to recycle water for system back wash, hence reduced the carbon footprint of landfills.

WHO WE ARE

The Group has been established as an experienced player in the property industry for more than 30 years. The Group's three core businesses are hotel ownership and management, property development and investment, and waste management and contract cleaning of buildings. Bonvests has hotel assets in Tunisia, Zanzibar, Mauritius, Maldives and Bintan, Indonesia under The Residence by Cenizaro brand, Sheraton Towers Singapore Hotel, Four Points by Sheraton Perth, Australia and La Maison Arabe and Riad Elegancia, Marrakech in Morocco. The Group's commercial real estate portfolio comprises business-related office and retail space in Singapore, Australia and Tunisia. We take pride in managing our diverse property portfolio to enhance the experience of our building tenants and visitors. With a strong foundation, the Group will remain committed to seeking quality projects and opportunities to develop them with innovative solutions.

SUSTAINABILITY AT BONVESTS HOLDINGS

The hospitality sector is one that is closely entwined with numerous ESG issues. Environmental concerns such as energy and water use arising from hotel facilities, biodiversity issues in locations with sensitive ecosystems as well as employee and guest wellbeing has long been at the top of the Group's list of priorities. Concerns over these factors have been growing due to an increase in awareness from various stakeholder groups over the last few years. More and more hotel guests are expecting destination hotels to be aware of the aforementioned issues and to mitigate their negative impacts. Investors are also seeing the linkages between good sustainability management and good business governance.

Our guest experience is of paramount importance to us and we believe that it is possible to operate responsibly, without sacrificing any guest or employee comfort. In fact, we believe that the changing landscape allows us to leverage off sustainability efforts to create better experiences.

In 2017, the Group worked towards formalising and standardising our approach to key concerns. This involved setting up a sustainability governance structure and formalising reporting lines on sustainability performance. Over the last year, we have continued to strengthen these structures and work on our various sustainability initiatives. We have a number of practices in place that help us to better manage our operational impacts and we invest in our diverse range of talent through training and career development. We will continue to look for opportunities to continue our sustainability journey in the coming years.

STAKEHOLDER ENGAGEMENT

We engage with our stakeholders through a variety of channels. This regular engagement allows us to determine some of the key areas with regards to Environmental, Social and Governance (ESG) issues for our stakeholders.

Stakeholders	Key Topics/Areas of Concern	Mode of Engagement	Frequency
Employees	• Employee satisfaction • Training and career development • Health, safety, and well-being	• Performance appraisals • Team-building activities • Email	• Annual appraisals • From time to time • Ongoing
Guests & Tenants	• Guest satisfaction • Quality of facilities and/or services • Health, safety, and well-being	• Guest satisfaction surveys • Two-way communications • Email • Website/feedback form	• Ongoing • Ongoing • Ongoing • Ongoing
Shareholders & Business Partners	• Business strategy and outlook • Economic performance • ESG practices	• Annual General Meeting • Release of financial results, announcements, and other relevant disclosures • Management meetings, briefings, and conference calls	• Annually • Quarterly • Ongoing
Regulators	• Regulatory compliance	• Regulatory filings • Regulatory briefings	• Ongoing • Ongoing

MATERIALITY

It is important to focus our sustainability efforts in areas where we can have the most impact. We need to identify the ESG factors that our stakeholders are most concerned about, taking into account the factors with the greatest impact on our business as well as those that are most impacted by our business. This year, management reviewed the material ESG factors selected. The material factors remained unchanged from 2021 as these areas are linked closely to the challenges and issues arising from COVID-19. The impacts of COVID-19 have been weaved into each material ESG factor.

Our six material ESG factors are listed below. We include details on all our factors in this report, except for "Economic Performance", for which you can find details in our 2022 Annual Report.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Material Factors for the Group:

Economic	Environmental	Social	Governance
1) Economic Performance	2) Energy 3) Water	4) Health, Safety and Welfare 5) Talent development	6) Regulatory compliance

ENVIRONMENTAL

Energy

2022 Highlights

Indicator	2022 Actual Performance	2022 Target	2023 Target(s)
Electricity intensity	• Hotel Properties – Electricity intensity for the hotel properties decreased by 39.3% to 97.97 kWh/guest night. • Investment Properties – Electricity intensity for the investment properties decreased 4.8% to 75.40 kWh/m^2.	▪ Maintain or reduce electricity intensity from the 2021 levels. ▪ Hotel: **Achieved** ▪ Investment Properties: **Achieved**	▪ Maintain or reduce electricity intensity from the 2021 levels.
	2021 Levels: Hotel Properties: 161.51 kWh/guest night Investment Properties: 79.17 kWh/m^2		

The hospitality industry can be one that has a high energy demand. Providing a good quality service to guests include maintaining comfortable temperature in rooms, which often requires heating or cooling, and provision of clean linens, which require round the clock laundry operations. Our hotels are in operation 24 hours a day, leading to constant lighting in certain areas and facilities such as spas, gymnasiums and swimming pools also require an energy source to operate. However, we realise that these energy demands could have negative environmental consequences and that the reduction of GHG emissions, which are a result of the use of fossil fuels, is high on the agenda of many of the world's governments. Therefore, the Group continues to look for opportunities to play a role in reducing these potentially negative impacts through a number of energy reduction initiatives.

Key Highlights

All our hotels utilise technology to reduce electricity use, such as through setting timers and using movement activated sensors. We are in the process of replacing our conventional lighting fixtures with new, energy efficient items which consume less electricity. The Properties also focus its attention on building energy-friendly habits, such as setting the air conditioners to a fixed temperature and switching off outlets which are not in use.

SUSTAINABILITY
REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Due to the higher capacity experienced as a result of the borders re-opening, the overall energy consumption increased in 2022. We encourage our guests to participate in energy reduction by leaving a "Green Card" in the rooms, giving them the option to not have their linens changed each day. The lighting and air conditioners in most of our hotels are operated by a key card, reducing the energy consumption of unoccupied rooms. Our security teams are also asked to look out for and report any lights in unoccupied areas. Other measures included the revision of air conditioning schedules for restaurants, meeting and function rooms, setting higher temperature and adjust the air flow for unoccupied rooms and only running the dishwasher and laundry washer under full load to optimise the energy resources.

To demonstrate commitment to environmental responsibility, Sheraton Towers Singapore has a Green Committee in place to brainstorm and implement initiatives to save energy. Monthly energy consumption is monitored closely and is reported periodically to management. In 2022, Sheraton Towers Singapore continued to maintain the Green Mark certification by BCA and the "Platinum" status in its building energy efficiency.

In Four Points by Sheraton Perth, hotel consultants test for energy efficiency and monitor reports to ensure that the Building Management System is running at maximum efficiency. The BMS is aligned to the manufacturer's parameters and industry standards. Associates are continuously educated to adopt practices that reduce electricity use. In 2022, we have achieved a NABERS energy rating of 5 stars.

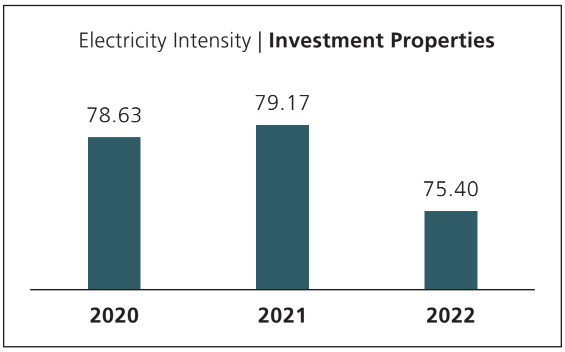
At The Residence Zanzibar, Maldives and Bintan operations, we have implemented a "Switch off Something" policy which is communicated to all staff and encourages them to switch off any electrical items or outlets not being used as they go about their everyday business.

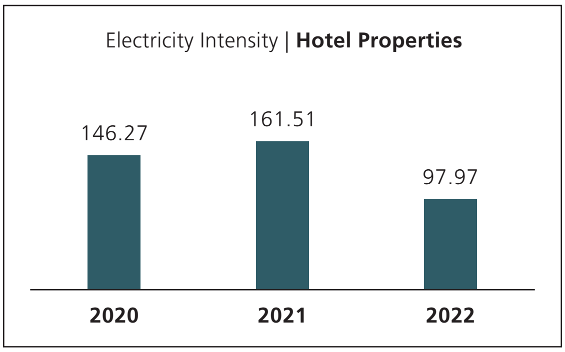
In Mauritius, we have replaced the lighting fixtures in the swimming pools from halogen bulbs with the more energy-efficient LEDs. Furthermore, a photovoltaic solar system has been installed in late 2020, and we expect to see a decline in diesel usage as a result in the year ahead.

La Maison Arabe has introduced a number of initiatives to contribute to an increase in energy efficiency. For instance, housekeepers are requested during daytime to use natural light during room cleaning. During winter, the hotel makes use of traditional fireplaces to heat some of the areas of the hotel, such as the front desk area. The hotel has also started to replace high energy consumption spotlights to lower-demand LEDs to further improve its energy efficiency.

Performance Summary

Our electricity intensity for the investment properties decreased slightly from 79.17 kWh/m^2 to 75.40 kWh/m^2 as a result of our energy saving initiatives. The electricity intensity for hotel properties have decreased from 161.51 kWh/guest night to 97.97 kWh/guest night. This is due to the increase in occupancy as a result of the borders re-opening.





Note: Data excludes electricity consumption in tenanted areas at our properties.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Water

2022 Highlights

Indicator	2022 Actual Performance	2022 Target	2023 Target(s)
Water intensity	• Hotel Properties – Water intensity for the hotel properties decreased to 1.78m^3/guest night. • Investment Properties – Water intensity for investment properties has increased to 0.97 m^3/m^2*.	▪ Maintain or reduce water intensity from the 2021 levels ▪ Hotel: **Achieved** ▪ Investment Properties: Not **Achieved**	▪ Maintain or reduce water intensity from the 2021 levels
	2021 Levels: Hotel Properties: 3.13m^3/guest night Investment Properties: 0.88m^3/m^2		

* *The increase in water intensity is mainly attributed to more employees returning to office, resulting in more regular cleaning of common spaces like toilet and pantry facilities.*

Water is another essential resource in the hospitality sector. Water is used by our guests and our hotels for washing and cooking and these activities will increase as our occupancy increases. Water is a limited resource and can become scarce, particularly at some of our more remote locations. For this reason, we strive to use water responsibly in order to reduce the demand from the hotels.

Key Highlights

All our properties closely monitor their water consumption on a regular basis. Periodic maintenance is also conducted in order to identify any potential leaks or overuse as well as to ensure maximum performance and efficiency during operations. Management actively monitor meter readings and follow up with investigations for any spikes in water usage. At some of our assets, there are daily walkthroughs to ensure that there are no water leakages from bathroom fittings. Likewise, water pressure is monitored to identify irregularities that could indicate a leak.

As a result of a higher guest occupancy due to borders re-opening, we have sought to reduce overall water consumption by shutting off some facilities on our properties. Other measures include applying water efficient appliances in washrooms, guest bathrooms and kitchens and only running dishwashers and laundry washers under full load to minimise water wastage.

At Sheraton Towers Singapore, a variety of methods have been introduced to reduce water usage, such as the provision of eco-friendly washer and dry cleaner laundry services to hotel guests. We have completed the installation of an ecoDigester System to convert up to 350 kg of food waste every 24 hours to recycled water for system back wash. The hotel is also working with the Public Utilities Board (PUB) to establish the Water Efficiency Management Plan to identify abnormal consumption of water and actions to improve water efficiency.

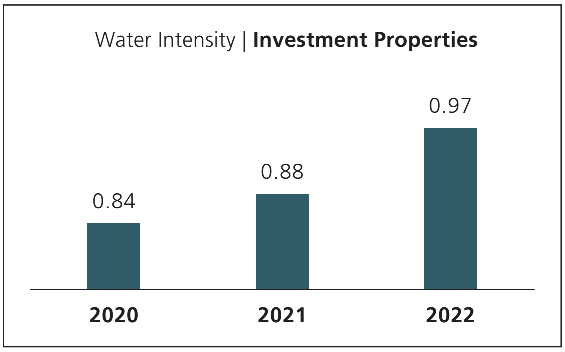
La Maison Arabe continues to take responsibility in regulating its water use in a sustainable manner. The hotel had recently replaced old laundry machines with newer ones which are less water-intensive. Watering the gardens is restricted to evenings and early mornings to reduce water loss through evaporation. Staff are required to perform daily checks on hotel rooms to ensure that there are no water leakages from bathroom fittings. Water pressure is also monitored to identify irregularities that may indicate a leak.

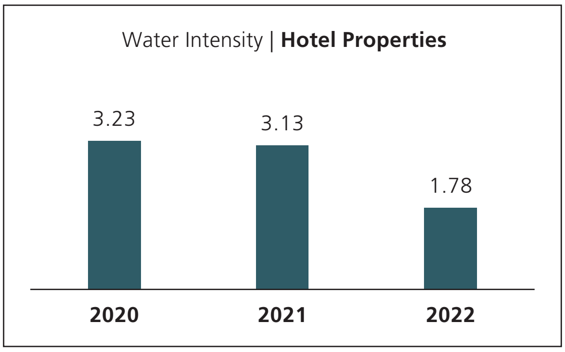
The Residence Mauritius is currently using sewer treatment plant-processed and treated water for its irrigation system. Rainwater is collected in this system and is used for irrigation as well. The introduction of this system will enable us to reduce reliance on public utilities. Efforts are also made to reduce water consumption by all our stakeholders. Staff and visitors are requested not to run taps unnecessarily. We place tent cards in guest rooms to ask guests to be conservative with their water use.

In Four Points by Sheraton Perth, water consumption is recorded from the monthly metered invoices from the Water Corporation and monthly meter readings taken, which is closely monitored to ensure if any leaks or over usage is investigated. In 2022, we have achieved a NABERS water efficiency rating of 4.5 stars.

Performance Summary

Water intensity for investment properties has increased from $0.88m^3/m^2$ to $0.97m^3/m^2$ in the same period. The increase in water intensity is mainly attributed to more employees returning to office, resulting in more regular cleaning of common spaces like toilet and pantry facilities. However, the water intensity for hotel properties has decreased from $3.13m^3/m^2$ to $1.78m^3/m^2$ per guest night for FY2022. The hotel made additional cleaning effort to sanitise the checked-out guest rooms, associates' uniform, and used bed and bath linens. The hotels also conduct regular maintenance programme to wipe down the public area, restaurants and unused guestrooms to prevent mildew. Hence, we have experienced a 22.5% increase in water consumption for hotel properties to $610,594m^3$. The increase was mainly due to the increase in occupancy.





SOCIAL

Health, Safety and Welfare

2022 Highlights

Indicator	2022 Actual Performance	2022 Target	2023 Target(s)
Percentage of eligible staff receiving health and safety training	• 100% of eligible[1] staff receiving health and safety training	▪ **Achieved** – 100% of eligible staff has received or is scheduled to complete health and safety training	▪ 100% of eligible staff to continue to receive health and safety training

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The health, safety, and welfare of both our staff, guests and tenants remain our utmost priority, especially during this challenging period. We have a responsibility to ensure the well-being of those who stay or work in our Properties in order to provide a safe and positive experience.

Over the years, we have reviewed our existing processes and introduced new protocols to address the risks posed by the pandemic. The measures that we have rolled out are in line with best practices and government health guidelines.

During the year, Sheraton Towers Singapore has been audited and certified as a SG Clean Hotel, a quality mark which demonstrates commitment to the highest level of hygiene and sanitation practices. The hotel is regularly audited by various government agencies to ensure that the different Safe Management Measures (SMM) guidelines and protocols for room operations, food and beverage (F&B) venues, and banquet operations are met.

Health, safety and welfare of our staff

In the course of our work as hotel operators, there are some occasions where our employees may be at risk of injury. Higher risk areas include employees in the kitchens and restaurants, maintenance and cleaning. Although serious injuries are rare, we do all we can to ensure our employees are safe and remain healthy in their places of work.

In addition to these practices, we also implemented a number of in-house awareness training briefings. Employees will attend a new joiner orientation where new staff are introduced to work at our various locations. These orientations are tailored to the location as well as the new staff's role and will include instructions on how to stay safe in their role and the risks they need to look out for. The hotels provide a range of health and safety training across key topics such as usage of fire safety, hygiene, cardiopulmonary resuscitation, automated external defibrillator familiarity, and COVID-19 measures. These trainings are mandatory for all staff.

During this period of transition to post pandemic, Sheraton Towers Singapore continues to reinforce the notion that the health of our guests and associates are a key priority by emphasising formal guidelines towards safeguarding our stakeholders. Depending on the extent and/or type of interaction with guests, our associates have been augmented with adequate and suitable personal protective equipment (not limited to N95 respirators, surgical masks, surgical gowns, and eye protection). Sheraton also seeks for perfection in upkeeping the hygiene of guest rooms and public area by engaging professional company to inspect and treat the affected area.

While coping with the safety guidelines are of the upmost importance in our operations, we are mindful of the impact of the transition to post pandemic and business recovery affecting the emotional wellbeing of our associates. At Sheraton Towers Singapore, we are regularly communicating to align our associates with current government policies and our business continuity plans to help them remain engaged as we navigate through the recovery. Our Human Resource department is also continuing with staff recognition programmes to recognise associates' good performance and contribution, and more training will be provided to enhance their skills and job security.

In some locations, such as Mauritius, we have Health and Safety officers who ensure our compliance with the OSHA Act and reports on performance are sent to the relevant government ministry. We also have a Health and Safety committee who meet every two months to update the teams on performance and review policies and practices. In Tunis, we have a nurse present every day, and a work doctor who comes three times a week. These personnel are hired solely for the monitoring and control of staff health.

At Sheraton Towers Singapore Hotel, an annual Table Top Exercise for Crisis Management under the Marriott International Standard and a security and safety audit from the Singapore Authority and Marriott International are held. The Sheraton Towers Singapore Hotel management team is also a member of the neighbourhood watch guard in collaboration with the Police Force.

Demonstrating our commitment to the safety of our staff, we have health and safety champions at relevant locations. This champion is responsible for putting into place any safety precautions that might be necessary. Their role also includes the collection of data and information on health and safety and reporting this to the general manager of the hotel.

Guests and visitors' health and safety

With thousands of guests and visitors passing through our hotels and properties over the year, we have a responsibility to safeguard their safety during their time with us. The experience of our guests and visitors is paramount to us and this includes allowing them to feel safe and relaxed in order to fully enjoy their visit.

Since the World Health Organisation declared the COVID-19 outbreak as a pandemic in March 2020, our hotels and resorts have started to implement new cleaning and sanitisation protocols with hospital-grade disinfectants, installed hand-sanitising stations and plexiglass barriers at our front desks, and encouraged guests and staff to wear face masks and adhere to social distancing measures.

Other initiatives include:
- Cleaning high touch points such as remote controls, bedside control panels, telephones and surfaces.
- Guests' usage of Gym and Pool are controlled and managed according to the social distancing guidelines. Gym equipment are wiped down by the attendant after each use.
- Hosting banquet events are in line with Social Management Measures including crowd controls and seating limits per table.
- Conducting regular maintenance programme to wipe down the public area, restaurants and unoccupied guestrooms to prevent mildew.

There are several aspects of our hotel operations where we specifically focus on the health and safety of our guests and visitors. These include food safety and general safety in the rooms, shared areas, pools, spas and golf courses. In the kitchens, our chefs and employees have strict systems in place which prevent the serving of unsafe food. Regular checks on the freshness of the food are carried out, both when supplies arrive at the restaurants as well as on a daily basis. Some initiatives include having dedicated sets of cutting boards, knives and other utensils to avoid cross contamination and labelling of food to track use-by-dates to prevent food becoming out of date. We purchase food items regularly and are careful to avoid over-ordering to avoid waste and ensure the ultimate freshness in food served. Kitchen staff are trained in food hygiene, either using international standards, such as Hazard Analysis and Critical Control Points (HACCP) or by medical and hygiene professionals. Relevant government departments in each location will carry out inspections as per their relevant mandatory schedules. Halal certifications are also obtained where necessary to provide reassurance to our Muslim guests.

We receive audits from various authorities and agencies to address both occupational and guest safety where appropriate. For example, at Sheraton Towers Singapore Hotel, these include regular surprise audits by various government agencies to ensure that appropriate Safe Management Measures (SMM) protocols are implemented for F&B operations. Annual audits from Marriott on the Hotel's room conditions and cleanliness, SHA/SPF/NCPC annual audit on Hotel Security, SCDF Annual Fire Safety Audit and Fire Safety and Security Committee Meeting occurs every month.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Talent Development

2022 Highlights

Indicator	2022 Actual Performance	2022 Target	2023 Target(s)
Percentage of eligible staff receiving performance appraisals	100% eligible staff received performance appraisals	**Achieved** – 100% eligible staff receive performance appraisals	100% eligible staff receive performance appraisals

Our staff are imperative to the success of our operations. As a guest-centric business, it is key that our staff are well trained and highly skilled to meet and even surpass the expectations of our hotel guests. For this reason, we place heavy emphasis on our staffs' development in knowledge and skills and proactively seek learning opportunities on their behalf.

Training and education

2022 posed new challenges for our staff with the ongoing COVID-19 outbreak and emergence of new COVID-19 variants. The pandemic reaffirmed our commitment in ensuring our staff possess the required access and opportunity in training and development. Staff were provided resources to upgrade their professional skills via eLearning, cross division On-The-Job training and additional training comprising of safe working procedures and proper utilisation of personal protective equipment.

For hotel operations, staff with diverse skillsets and experience are a necessity, including chefs, technicians, receptionists, and housekeeping staff. Training are tailored for staffs' learning progress which ranges from requiring specialised training in niche fields (e.g. cooking and food hygiene) to more general areas such as Work, Health, Safety (WHS) training and Basic Fire Awareness. Staff satisfaction in their career is also a key priority for us which is addressed at least annually during the performance appraisal which pertains to all eligible staff. Staff will be informed of their performance against expectations, checked with if there are gaps in their knowledge, and asked if there exist avenues that they wish to venture into to advance in their career.

Style of training varies based on suitability of the information to be taught which can range from on-the-job training for knowledge that requires more experiential learning to online training for more passive awareness.

Cross-training is also conducted by our Maldives hotel for the purposes of upgrading skills and to improve the quality of operations.

The Residence Mauritius places special emphasis on the development of high performers by introducing a Talent Management Programme where these individuals may receive a promotion upon completion 6 to 9 months of additional training. Staff from the property also benefit from a balance of in-house training and sponsored external courses.

Four Points by Sheraton Perth and Sheraton Towers Singapore Hotel utilise an online platform, myLearning, via the Marriott L&D portal to provide deeper insights to staff such as risk management training and harassment prevention practices. Sheraton Towers Singapore Hotel takes this a step further by encouraging associates to explore a multitude of courses under the Singapore Workforce Skills Qualification not limited to English mastery, computer classes and business writing skills. Cross-department training and opportunities are also present across all locations for potential vertical and horizontal development. Sheraton Towers Singapore Hotel is also venturing more into career development and aims to provide opportunities to develop operation managers to succeed as business managers by keeping them engaged with information on business development, strategies and performance. With regards to Four Points Hotel, 30 day and 180-day reviews are conducted by the head of departments to keep new starters' performance goals aligned to the department strategy and to ensure motivation and individual development.

Diversity and equal opportunity

We do not condone any discrimination in our workforce, and it is heavily emphasised that all staff be treated fairly, regardless of age, race, gender or religion. This applies to all aspects of our human resources from recruitment to promotion to retirement. Our employee handbooks include our position of equal opportunities. The Sheraton Towers Singapore Hotel, as a Human Capital Partnership (HCP) member, abide by the Singapore Tripartite Alliance guidelines on Fair Employment Practices. The Sheraton Towers Singapore Hotel recruits and selects employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, marital status and family responsibilities, or disability while we align with the principles from the National Workers Union. The Residence Mauritius recruits and selects employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, marital status and family responsibilities, or disability and complies with The Workers Right Act 2019 and The Catering and Tourism Industries (remuneration) Regulations 2019.

GOVERNANCE

Regulatory Compliance

2022 Highlights

Indicator	2022 Actual Performance	2022 Target	2023 Target(s)
Number of non-compliance with relevant laws and regulations	Zero incidents of non-compliance with relevant laws and regulations	**Achieved** – Zero incidents of non-compliance with relevant laws and regulations	Zero incidents of non-compliance with relevant laws and regulations

As a responsible corporate citizen, we strive to have a zero-tolerance policy towards any non-compliance with relevant laws and regulations. We hold ourselves to high standards in this area and we have a number of polices in place to avoid inappropriate conduct that can lead to the loss of stakeholder trust as well as the loss of operating licenses. We constantly review our existing policies and frameworks to ensure that we are in compliance with the applicable regulations and standards.

We are pleased to note that there were zero incidents of non-compliance with laws and regulations relating to corruption, marketing communications, and social and economic issues that have resulted in significant fines or non-monetary sanctions. This includes any non-compliances to COVID-19 rules and guidelines. We will continue to maintain this standard for the upcoming year.

The main areas which we concentrate our governance efforts are around anti-corruption and marketing and labelling.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Anti-corruption

Corruption can be a concern in some of our locations of operations and in the real estate and hospitality industry. We are mindful of these risks and thus have prepared policies and procedures to avoid these issues, which, but is not limited to, areas of:

- Anti-corruption;
- Anti-fraud;
- Conflict of interest;
- Whistle blowing; and
- Anti-bribery.

These policies are made known to all our staff and we conduct trainings and briefings to be sure staff are aware of how they are expected to behave as well as what activities may constitute a breach of the law. Corporate level staff are also required to make self-declarations each year to keep management up to date and increase awareness amongst the staff.

Marketing and labelling

As a hotel owner and operator, the success of our business is heavily dependent on advertising. We are careful to ensure that our advertising is fair, true and transparent to avoid misleading our guests. Any breach of marketing and labelling standards can lead a loss of confidence from our guests. In Singapore, we adhere closely to the relevant rules and regulations, such as the Singapore Advertising Standards. We aim to continue to comply with all applicable requirements established by the relevant bodies.

Corporate compliance

Other laws and regulations that are relevant to us include SGX listing rules, MAS laws and regulations and regulations under the Personal Data Protection Act. Management keeps a close eye on activities around these issues and policies such as our Corporate Code of Conduct mean that staff are aware of expectations upon them. In addition, management level staff complete an annual self-declaration that covers areas such as conflicts of interest and independence.

We reviewed our regulatory risks as part of the management risk assessment process in 2022 and have achieved the 2022 target. We will continue to conduct reviews in the coming 12 months.

GRI CONTENT INDEX

Bonvests Holdings Limited has reported the information cited in this GRI content index for the period 1st January 2022 to 31st December 2022 with reference to the GRI Standards.

GRI Standards (2021)		**Notes/Page number(s)**
General Disclosures		
Organization and its Reporting Practices		
2-1	Organizational details	5
2-2	Entities included in the organization's sustainability reporting	2
2-3	Reporting period, frequency, and contact point	2
2-4	Restatements of information	*[Placeholder]*
2-5	External Assurance	We have not sought external assurance on this Report.
Activities and workers		
2-6	Activities, value chain and other business relationships	*[Placeholder]*
2-7	Employees	*[Placeholder]*
2-8	Workers who are not employees	*[Placeholder]*
Governance		
2-9	Governance Structure	*[Placeholder]*
2-10	Nomination and selection of highest governance body	*[Placeholder]*
2-11	Chair of the highest governance body	*[Placeholder]*
2-12	Role of the highest governance body in overseeing the management of impacts	*[Placeholder]*
2-13	Delegation of responsibility for managing impacts	*[Placeholder]*
2-14	Role of the highest governance body in sustainability reporting	*[Placeholder]*
2-15	Conflicts of interest	*[Placeholder]*
2-16	Communication of critical concerns	*[Placeholder]*
2-17	Collective knowledge of the highest governance body	*[Placeholder]*
2-18	Evaluation of the performance of the highest governance body	*[Placeholder]*
2-19	Remuneration policies	*[Placeholder]*
2-20	Process to determine remuneration	*[Placeholder]*
2-21	Annual total compensation ratio	*[Placeholder]*

SUSTAINABILITY REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Strategy, policies, and practices		
2-22	Statement of sustainable development strategy	3-4
2-23	Policy commitments	*[Placeholder]*
2-24	Embedding policy commitments	*[Placeholder]*
2-25	Processes to remediate negative impacts	*[Placeholder]*
2-26	Mechanisms for seeking advice and raising concerns	*[Placeholder]*
2-27	Compliance with laws and regulations	17
2-28	Membership associations	*[Placeholder]*
Stakeholder engagement		
2-29	Approach to stakeholder engagement	6
2-30	Collective bargaining agreements	*[Placeholder]*
Material Topics		
3-1	Process to determine material topics	7
3-2	List of material topics	7
3-3	Management of material topics	7
Energy		
3-3	Management of material topics	8-9
Water and Effluents		
3-3	Management of material topics	10-11
303-5	Water consumption	10-11
Training and Education		
3-3	Management of material topics	15
404-3	Percentage of employees receiving regular performance and career development reviews	15
Anti-Corruption		
3-3	Management of material topics	17
Marketing and Labelling		
3-3	Management of material topics	17

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2022 and the statement of financial position of the Company as at 31 December 2022.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 75 to 155 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due, as disclosed in Note 3.2(c) to the financial statements.

Directors

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

Henry Ngo
Gary Xie Guojun
Andy Xie Guoyuan
Chew Heng Ching
Fong Heng Boo
Teo Lip Hua, Benedict

Arrangements to enable directors to acquire shares and debentures

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

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Directors' interests in shares

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.12.2022	At 1.1.2022	At 31.12.2022	At 1.1.2022
Bonvests Holdings Limited				
(No. of ordinary shares)				
Henry Ngo	**85,357,128**	85,357,128	**252,816,569**	250,800,369
Chew Heng Ching	**486,000**	486,000	**–**	–
Immediate Holding Company – Goldvein Holdings Pte. Ltd.				
(No. of ordinary shares)				
Henry Ngo	**42,502,922**	42,502,922	**–**	–

(b) Mr Henry Ngo, by virtue of the provisions of Section 7 of the Companies Act 1967, is deemed to have an interest in the whole of the share capital of the Company's wholly owned subsidiaries and in the shares held by the Company in the following subsidiaries that are not wholly owned by the Group:

	At 31.12.2022	At 1.1.2022	At 31.12.2022	At 1.1.2022
Colex Holdings Limited				
No. of ordinary shares	**1,720,000**	1,720,000	**105,597,660**	105,597,660

(c) The directors' interests in the ordinary shares of the Company as at 21 January 2023 were the same as those as at 31 December 2022.

Share options

No options to take up unissued shares of the Company or any subsidiaries have been granted during the financial year.

No shares were issued during the financial year to which this report relates by virtue of the exercise of options to take up unissued shares of the Company or any subsidiaries.

There were no unissued shares of the Company or any subsidiaries under option at the end of the financial year.

Audit Committee

The Audit Committee at the end of the financial year comprises the following members:

Fong Heng Boo (Chairman)
Chew Heng Ching
Teo Lip Hua, Benedict

All members of the Audit Committee are non-executive directors and all members are independent.

The Audit Committee performs the functions set out in Section 201B(5) of the Companies Act 1967, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the Audit Committee reviewed the following:

(i) overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;

(ii) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;

(iii) the quarterly financial information and the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2022 as well as the auditor's report thereon;

(iv) effectiveness of the Company's material internal controls, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditors;

(v) met with the external auditor and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the Audit Committee;

(vi) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

(vii) reviewed the cost effectiveness and the independence and objectivity of the external auditor;

(viii) reviewed the nature and extent of non-audit services provided by the external auditor;

(ix) recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;

(x) reported actions and minutes of the Audit Committee to the Board of Directors with such recommendations as the Audit Committee considered appropriate; and

(xi) interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Audit Committee (Continued)

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The Audit Committee has recommended to the Board of Directors that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Full details regarding the Audit Committee are provided in the "Corporate Governance Statement".

In appointing the external auditor for the Company and subsidiaries, the Company has complied with Rules 712 and 715 of the SGX Listing Manual.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

Other information required by the SGX-ST

Material information

There are no material contracts to which the Company or its subsidiaries, is a party which involve directors' interests subsisted or have been entered into during the financial year ended 31 December 2022.

Interested person transactions

There are no interested person transactions as defined in Chapter 9 of Listing Manual of the Singapore Exchange conducted during the financial year ended 31 December 2022 except as disclosed under "Interested Person Transactions" in "Corporate Governance Statement" and in Note 36 to the financial statements.

On behalf of the directors

HENRY NGO	FONG HENG BOO
Director	Director

6 April 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BONVESTS HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Bonvests Holdings Limited ("the Company") and its subsidiaries ("the Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the statements of financial position of the Company and of the Group as at 31 December 2022;
- the consolidated statement of comprehensive income of the Group for the year then ended;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the consolidated statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority 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.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BONVESTS HOLDINGS LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the year ended 31 December 2022. 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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment properties *Refer to Note 3.1(a) (Critical accounting estimates and assumptions) and Note 5 (Investment properties) to the financial statements.* As at 31 December 2022, the carrying value of the Group's investment properties based on their fair values determined by independent professional valuers amounted to $594.5 million, which accounted for 45.8% of the Group's total assets. We focus our audit on the valuation of investment properties due to significant judgement on the use of valuation methodologies and techniques involving estimates and assumptions. The key estimates and assumptions used in the valuations by independent professional valuers are adjusted selling price per square metre, estimated rental value per square metre, vacancy rates and capitalisation rates. Furthermore, a few valuation reports obtained from the independent professional valuers have highlighted the market uncertainty as above normal valuation uncertainty. In light of the continuing effects of COVID-19 pandemic, the Russian invasion of Ukraine, geopolitical issues with China, worldwide inflation and rising interest rate, the valuers highlighted the importance of monitoring current and future events and recommended for the valuations to be kept under frequent review.	The following procedures were performed over the valuation of investment properties: • assessed the competency and independence of the professional valuers engaged by management; • discussed the significant judgmental areas and key estimates with management and independent professional valuers and understood the methodologies and techniques taken by them in determining the valuation of each investment property; • checked, on a sample basis, the accuracy of underlying lease and financial information provided by management to the independent professional valuers to lease agreements; and • assessed the reasonableness of adjusted selling price per square metre, estimated rental value, vacancy rates and capitalisation rates by benchmarking the rates against comparable properties and prior year's inputs. We also assessed the appropriateness of the disclosures relating to the valuation techniques, key estimates and assumptions applied by the independent professional valuers, as well as that of the valuation uncertainty. We observed that the independent valuers are members of recognised bodies for professional valuers. We found that the valuation methodologies and techniques used were appropriate in the context of the Group's investment properties and the key estimates and assumptions applied were within the range of market data. We also found the disclosures in the financial statements to be appropriate.

Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition from waste disposal and contract cleaning services	
Refer to Note 2.24 and Note 4 (Revenue) to the financial statements.	The following procedures were performed in relation to revenue recognition:
For the financial year ended 31 December 2022, revenue from the industrial division, comprising waste disposal and contract cleaning services, amounted to $39.0 million. Revenue is recognised and accrued as the services are rendered. We focused on revenue recognition as it is a significant area and there is a risk that revenue could be misstated due to the high volume of customers served by the Group.	• understood, evaluated and tested relevant accounting controls over the revenue recognition process; • tested the period of service billed by checking to underlying supporting documents, on a sample basis; • tested rates applied to underlying agreements, on a sample basis; • re-computed contractual revenue to ascertain the accuracy of the contractual revenue recorded by management for the financial year, on a sample basis; • assessed reasonableness of number of customer accounts by comparing to external publicly available information; • obtained independent confirmation from the third party agent on the total fees billed to customers for waste disposal services rendered for the current financial year; • performed cut-off procedures to ensure that revenue is recorded in the correct period; and • reviewed credit notes issued after year-end on a sample basis to ensure that they do not relate to revenue recognised for the current financial year. Based on the work performed, we found the Group's revenue recognition relating to waste disposal and contract cleaning services to be appropriate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BONVESTS HOLDINGS LIMITED

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BONVESTS HOLDINGS LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)
As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BONVESTS HOLDINGS LIMITED

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 Kok Moi Lre.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 6 April 2023

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

		The Company		The Group	
	Note	2022 $'000	2021 $'000	2022 $'000	2021 $'000
ASSETS					
Non-current assets					
Investment properties	5	**–**	–	**594,553**	590,880
Property, plant and equipment	6	**943**	–	**610,229**	641,086
Subsidiaries	9	**910,236**	850,499	**–**	–
Goodwill	10	**–**	–	**9,798**	10,600
Financial assets, at fair value through other comprehensive income ("FVOCI")	11	**–**	–	**2,565**	5,624
Financial assets, at fair value through profit and loss ("FVPL")	17	**–**	–	**1,500**	1,500
Club memberships	12	**21**	21	**21**	21
Accrued rental income	13	**–**	–	**1,412**	338
Long-term prepayments and receivables	14	**–**	–	**3**	3
Deferred income tax assets	15	**–**	–	**4,615**	5,181
		911,200	850,520	**1,224,696**	1,255,233
Current assets					
Inventories	16	**–**	–	**9,615**	8,313
Trade and other receivables	18	**29**	21	**29,890**	24,863
Contract assets	4(a)	**–**	–	**–**	1,556
Income tax recoverable		**–**	–	**2,857**	3,102
Advances to subsidiaries	19	**4,895**	3,919	**–**	–
Cash and bank balances	20	**1,172**	601	**31,900**	37,354
		6,096	4,541	**74,262**	75,188
Total assets		**917,296**	855,061	**1,298,958**	1,330,421

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	The Company 2022 $'000	The Company 2021 $'000	The Group 2022 $'000	The Group 2021 $'000
EQUITY AND LIABILITIES					
Capital and reserves attributable to equity holders of the Company					
Share capital	21	**254,139**	254,139	**254,139**	254,139
Retained profits		**117,929**	90,545	**712,702**	695,130
Other reserves	22	**–**	–	**(124,604)**	(101,655)
		372,068	344,684	**842,237**	847,614
Non-controlling interests	9(c)	**–**	–	**3,569**	6,280
Total equity		**372,068**	344,684	**845,806**	853,894
Non-current liabilities					
Borrowings	23	**205,000**	–	**210,528**	43,798
Long-term liabilities	24	**–**	–	**6,831**	6,020
Lease liabilities	25	**–**	–	**33,474**	33,684
Deferred income tax liabilities	15	**–**	–	**14,122**	14,410
		205,000	–	**264,955**	97,912
Current liabilities					
Trade and other payables	26	**836**	587	**46,559**	37,384
Lease liabilities	25	**–**	–	**1,575**	1,355
Current income tax liabilities		**110**	81	**5,616**	3,831
Borrowings	23	**65,260**	238,308	**134,447**	336,045
Advances from subsidiaries	19	**274,022**	271,401	**–**	–
		340,228	510,377	**188,197**	378,615
Total liabilities		**545,228**	510,377	**453,152**	476,527
Total equity and liabilities		**917,296**	855,061	**1,298,958**	1,330,421

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

CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 $'000	2021 $'000
Revenue	4	**209,024**	134,414
Other income and other gains			
– Interest	27	**409**	357
– Other income	27	**2,453**	11,430
– Other gains	27	**11,270**	20,323
Changes in inventories of finished goods		**932**	1,342
Materials and consumables purchased		**(24,280)**	(12,646)
Employee benefit costs	28	**(67,572)**	(58,630)
Depreciation expenses	6	**(29,994)**	(32,515)
Impairment loss on financial assets		**(126)**	(72)
Impairment loss on property, plant and equipment	6	**–**	(726)
Other operating expenses	29	**(65,022)**	(47,514)
Finance costs	30	**(11,094)**	(6,073)
Profit before income tax		**26,000**	9,690
Income tax (expense)/credit	31	**(5,824)**	2,421
Profit after income tax		**20,176**	12,111
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation (losses)/gains arising from consolidation	22(b)	**(22,516)**	52
Exchange gains relating to net investment hedge	22(b)	**2,626**	–
		(19,890)	52
Items that will not be reclassified subsequently to profit or loss:			
Fair value losses on financial assets, at FVOCI	11	**(3,059)**	(1,694)
Currency translation losses arising from consolidation		**(10)**	(6)
Revaluation surplus of owner occupied property, plant and equipment transferred to investment properties	6(e)	**–**	3,564
Remeasurement of retirement benefits, net of tax		**(140)**	–
Other comprehensive (loss)/income, net of tax		**(23,099)**	1,916
Total comprehensive (loss)/income		**(2,923)**	14,027
Profit/(loss) attributable to:			
Equity holders of the Company		**20,723**	12,250
Non-controlling interests		**(547)**	(139)
		20,176	12,111
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		**(2,366)**	14,172
Non-controlling interests		**(557)**	(145)
		(2,923)	14,027
Earnings per share attributable to equity holders of the Company (expressed in cents per share)	33		
– Basic		**5.161**	3.051
– Diluted		**5.161**	3.051

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

CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

		Attributable to equity holders of the Company								
	Note	Share capital $'000	Retained profits $'000	Revaluation surplus reserve $'000	Fair value reserve $'000	Currency translation reserve $'000	Premium paid on acquisition of non-controlling interests $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
2022										
Balance at 1 January 2022		**254,139**	**695,130**	**15,485**	**(6,742)**	**(72,748)**	**(37,650)**	**847,614**	**6,280**	**853,894**
Profit/(loss) after income tax for the year		–	**20,723**	–	–	–	–	**20,723**	**(547)**	**20,176**
Other comprehensive loss for the year		–	**(140)**	–	**(3,059)**	**(19,890)**	–	**(23,089)**	**(10)**	**(23,099)**
Total comprehensive income/ (loss) for the year		–	**20,583**	–	**(3,059)**	**(19,890)**	–	**(2,366)**	**(557)**	**(2,923)**
2021 final tax-exempt dividend	32	–	**(3,011)**	–	–	–	–	**(3,011)**	–	**(3,011)**
Dividend paid by subsidiary to non-controlling interests		–	–	–	–	–	–	–	**(2,154)**	**(2,154)**
Total transactions with owners, recognised directly in equity		–	**(3,011)**	–	–	–	–	**(3,011)**	**(2,154)**	**(5,165)**
Balance as at 31 December 2022		**254,139**	**712,702**	**15,485**	**(9,801)**	**(92,638)**	**(37,650)**	**842,237**	**3,569**	**845,806**
2021										
Balance at 1 January 2021		254,139	684,085	11,921	(5,048)	(72,800)	(37,670)	834,627	6,653	841,280
Profit/(loss) after income tax for the year		–	12,250	–	–	–	–	12,250	(139)	12,111
Other comprehensive income/ (loss) for the year		–	–	3,564	(1,694)	52	–	1,922	(6)	1,916
Total comprehensive income/ (loss) for the year		–	12,250	3,564	(1,694)	52	–	14,172	(145)	14,027
2020 final tax-exempt dividend	32	–	(1,205)	–	–	–	–	(1,205)	–	(1,205)
Change in interest in subsidiary		–	–	–	–	–	20	20	(228)	(208)
Total transactions with owners, recognised directly in equity		–	(1,205)	–	–	–	20	(1,185)	(228)	(1,413)
Balance as at 31 December 2021		254,139	695,130	15,485	(6,742)	(72,748)	(37,650)	847,614	6,280	853,894

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 $'000	2021 $'000
Cash flows from operating activities			
Profit before taxation		**26,000**	9,690
Adjustments for:			
– Depreciation of property, plant and equipment	6	**29,994**	32,515
– Property, plant and equipment written off	29	**3**	348
– Fair value gains on financial assets at FVPL	27	**–**	(300)
– Net gain on disposal of property, plant and equipment	27	**(422)**	(29)
– Fair value gain of investment properties	5	**(9,672)**	(17,408)
– Amortisation of commission expense capitalised	5	**22**	–
– Gain on termination of lease		**(5)**	–
– Impairment loss on financial assets, net		**126**	72
– Impairment loss on property, plant and equipment	6(f)	**–**	726
– Interest income	27	**(409)**	(357)
– Dividend income from financial assets at FVOCI	4	**(28)**	(28)
– Interest expense	30	**11,094**	6,073
– Unrealised currency translation gains		**(1,608)**	(2,929)
		55,095	28,373
Change in working capital			
– Inventories		**(1,834)**	(1,234)
– Trade and other receivables		**(8,669)**	2,551
– Contract assets		**1,556**	(1,556)
– Trade and other payables		**11,697**	(437)
Cash generated from operations		**57,845**	27,697
Income tax paid		**(1,999)**	(4,166)
Net cash provided by operating activities		**55,846**	23,531
Cash flows from investing activities			
Acquisition of property, plant and equipment (Note A)		**(16,708)**	(27,934)
Additions to investment properties		**(245)**	(7)
Government grants received for investment properties	5	**–**	654
Prepayments made to contractors		**–**	(463)
Proceeds from early partial redemption of financial assets at FVPL	17	**–**	1,800
Proceeds from disposal of property, plant and equipment		**669**	410
Interest received		**409**	357
Dividends received		**28**	28
Net cash used in investing activities		**(15,847)**	(25,155)
Cash flows from financing activities			
Proceeds from bank borrowings		**90,180**	69,882
Repayment of bank borrowings		**(116,652)**	(60,736)
Principal payment of lease liabilities		**(1,259)**	(922)
Interest paid		**(11,221)**	(6,185)
Payment to non-controlling shareholders for purchase of shares in subsidiary	9(a)	**–**	(208)
Dividends paid to equity holders of the Company	32	**(3,011)**	(1,205)
Dividends paid to non-controlling interests		**(2,154)**	–
Net cash (used in)/provided by financing activities		**(44,117)**	626
Net decrease in cash and bank balances		**(4,118)**	(998)
Cash and bank balances			
Beginning of financial year		**35,657**	36,656
Effects of currency translation on cash and bank balances		**(833)**	(1)
End of financial year	20	**30,706**	35,657

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Reconciliation of liabilities arising from financing activities

	1 January 2022 $'000	Net payment of principal and interest $'000	Non-cash changes $'000: Net additions during the year	Non-cash changes $'000: Interest expense	Non-cash changes $'000: Foreign exchange movement	31 December 2022 $'000
Bank borrowings and accrued interest payable	**378,620**	**(35,684)**	**–**	**9,085**	**(7,538)**	**344,483**
Lease liabilities	**35,039**	**(3,268)**	**1,466**	**2,009**	**(197)**	**35,049**

	1 January 2021 $'000	Net payment of principal and interest $'000	Non-cash changes $'000: Net additions during the year	Non-cash changes $'000: Interest expense	Non-cash changes $'000: Foreign exchange movement	31 December 2021 $'000
Bank borrowings and accrued interest payable	373,946	4,932	–	4,102	(4,360)	378,620
Lease liabilities	34,887	(2,893)	988	1,971	86	35,039

Note A: Property, plant and equipment

The Group acquired property, plant and equipment with an aggregate cost of $18,040,000 (2021: $32,423,000) during the financial year. Cash payments of $16,708,000 (2021: $27,934,000) were made to purchase property, plant and equipment.

	2022 $'000	2021 $'000
Additions of property, plant and equipment (Note 6)	**18,040**	32,423
(Less)/add:		
Capitalisation of right-of-use assets	**(1,466)**	(1,062)
Government grants received	**(170)**	(276)
Capitalisation of long-term prepayment	**–**	(1,908)
Liabilities owing for capital expenditure	**926**	(1,699)
Prepayments made to contractors	**(622)**	–
Retention sums paid	**–**	456
	16,708	27,934

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

1. General information

The financial statements of the Company and of the Group for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and was incorporated as a limited liability company and is domiciled in Singapore. The registered office is located at 541 Orchard Road #16-00, Liat Towers, Singapore 238881.

The principal activities of the Company consist of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are as stated in Note 9.

The immediate and ultimate holding company is Goldvein Holdings Pte. Ltd., a company incorporated in Singapore.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars which is the Company's functional currency. All financial information is presented in thousands of Singapore Dollars ("$'000"), unless otherwise stated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2022

On 1 January 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. Significant accounting policies (Continued)

2.2 Group accounting

(a) Subsidiaries

(i) Consolidation

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

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business combination comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

2. Significant accounting policies (Continued)

2.2 Group accounting (Continued)

(a) Subsidiaries (Continued)

(ii) Acquisitions (Continued)

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Goodwill" for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

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

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.3 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.4 Club memberships

Club memberships are acquired separately and are measured on initial recognition of cost. The cost of club memberships is the fair value as at the date of acquisition. Subsequent to recognition, club memberships are measured at cost less any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (Continued)

2.4 Club memberships (Continued)

The club memberships are assessed as having indefinite useful lives as the contracts are open ended and there is no foreseeable limit to the period over which the memberships are expected to generate cash to the Group. The club memberships are tested for impairment annually and carried at cost less accumulated impairment losses.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated using the straight-line method to allocate their depreciable amount over their useful lives as follows:

Buildings on freehold land	10 – 50 years
Leasehold land and buildings	Over remaining lease period
Plant, equipment and containers	5 – 20 years
Furniture, fittings, office equipment and renovations	3 – 10 years
Motor vehicles	5 – 10 years
Computers	3 – 7 years
Store fittings, equipment and appliances	5 – 7 years
Hotel operating assets	1 – 10 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

No depreciation is provided on freehold land and construction-in-progress.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include borrowing costs (refer to Note 2.27 on borrowing costs) and any fair value gains or losses on qualifying cash flow hedges of property, plant and equipment that are transferred from the hedging reserve.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gains/losses".

2.6 Investment properties

Investment properties include those portions of office buildings that are held for long-term rental yields and/or capital appreciation and land under operating leases that are held for long-term capital appreciation or for a currently indeterminate use, and where an insignificant portion is held for the Group's own occupation.

2. Significant accounting policies (Continued)

2.6 Investment properties (Continued)

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers based on the highest-and-best-use basis. Changes in fair values are recognised in the profit or loss.

Initial direct costs incurred by the Group in negotiating and arranging operating leases such as commission to agents are added to the carrying amount of the investment properties and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are written off in profit or loss. The cost of maintenance, repairs and minor improvement is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when and only when, there is a change in use, evidenced by the commencement of owner-occupation or commencement of development with a view to sell.

2.7 Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

2.8 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

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

2. Significant accounting policies (Continued)

2.8 Financial assets (Continued)

(a) Classification and measurement (Continued)

At initial recognition

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

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and bank balances, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other income/other operating expenses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other income".

2. Significant accounting policies (Continued)

2.8 Financial assets (Continued)

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39(c) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and lease receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.9 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the end of reporting period. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair value of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at the end of each reporting period. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (Continued)

2.10 Derivatives financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates each hedge as net investment hedge.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months.

The following hedges in place qualified as net investment hedges under SFRS(I) 9.

Net investment hedge

The Group has foreign currency borrowings that qualify as net investment hedges of foreign operations. These hedging instruments are accounted for similarly to cash flow hedges. The currency translation differences on the borrowings relating to the effective portion of the hedge are recognised in other comprehensive income in the consolidated financial statements, accumulated in the currency translation reserve and reclassified to profit or loss as part of the gain or loss on disposal of the foreign operation. The currency translation differences relating to the ineffective portion of the hedge are recognised immediately in profit or loss.

2.11 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average cost method, and includes all costs in bringing the inventories to their present location and condition.

Provision is made for obsolete, slow-moving and defective inventories in arriving at the net realisable value.

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

2.12 Cash and bank balances

Cash and bank balances comprise cash balances and bank deposits which are subject to an insignificant risk of change in value.

For the purpose of presentation in the consolidated statement of cash flows, cash and bank balances are presented net of bank overdrafts which are repayable on demand and which form an integral part of cash management. Bank overdrafts are presented as current borrowings on the statements of financial position.

2. Significant accounting policies (Continued)

2.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

2.14 Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2.15 Financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and lease liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case they are presented as non-current liabilities.

2.16 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.17 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (Continued)

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Present obligations arising from onerous contracts are recognised as provisions.

The provision for dismantlement and restoration is based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value. Changes in the estimated timing or amount of the expenditure or discount rate for asset dismantlement, removal and restoration costs are adjusted against the cost of the related property, plant and equipment, unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of its useful life. In such cases, the excess of the decrease over the carrying amount of the asset or the changes in the liability is recognised in profit or loss immediately.

The directors review the provision annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provision is discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

2.19 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.20 Leases

(a) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(i) Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

2. Significant accounting policies (Continued)

2.20 Leases (Continued)

(a) When the Group is the lessee: (Continued)

(i) Right-of-use assets (Continued)

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

(ii) Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

– Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
– Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
– Amount expected to be payable under residual value guarantees;
– The exercise price of a purchase option if is reasonably certain to exercise the option; and
– Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For a contract that contains both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

– There is a change in future lease payments arising from changes in an index or rate;
– There is a change in the Group's assessment of whether it will exercise an extension option; or
– There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (Continued)

2.20 Leases (Continued)

(a) When the Group is the lessee: (Continued)

(iii) Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(iv) Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

(b) When the Group is the lessor:

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases such as commission to agents are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

2.21 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

2. Significant accounting policies (Continued)

2.21 Income taxes (Continued)

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the date of the financial position; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.22 Employee benefits

(a) Pension benefits

The Group operates both defined benefit and defined contribution post-employment benefit plans.

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise.

Past service costs are recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (Continued)

2.22 Employee benefits (Continued)

(b) Employee leave entitlements

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

(c) Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors are considered key management personnel.

2.23 Impairment of non-financial assets

(a) Goodwill

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Property, plant and equipment, right-of-use assets and investments in subsidiaries

Property, plant and equipment, right-of-use assets and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

2. Significant accounting policies (Continued)

2.23 Impairment of non-financial assets (Continued)

(b) *Property, plant and equipment, right-of-use assets and investments in subsidiaries* (Continued)

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.24 Revenue recognition

(a) *Rental income from operating leases*

Rental income from operating leases, adjusted for rent free incentives given to the lessees, is recognised on a straight-line basis over the lease term.

(b) *Revenue from hotel operations*

Revenue from hotel operations is recognised over the period in which the accommodation and related services are provided, except for revenue from the sale of food and beverage, which is recognised at a point in time when the food and beverages are delivered. For retail customers, payment is due immediately when the accommodation and related services are rendered. For corporate customers, invoices are issued on a monthly basis and are payable within 30 days.

(c) *Revenue from waste disposal and contract cleaning services*

Revenue from waste disposal and contract cleaning services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined by the frequency of service being rendered relative to the total expected services to be rendered. Ad-hoc cleaning services is recognised based on the price specified in the contract at a point in time, as and when the services are rendered.

The customers are invoiced monthly. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

(d) *Car parking fees*

Car parking fees are recognised as it accrues on a time-apportioned basis.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (Continued)

2.24 Revenue recognition (Continued)

(e) Revenue from food and beverage operations

Revenue from food and beverage operations is recognised at a point in time when the food and beverages are delivered to the customer. Payment is due immediately when the food and beverages are delivered to the customer.

(f) Interest income

Interest income, including income arising from financial instruments, is recognised on a time-proportion basis using the effective interest method.

(g) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

2.25 Currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

All foreign exchange gains and losses impacting profit or loss are presented in the income statement within 'other gains and losses'.

2. Significant accounting policies (Continued)

2.25 Currency translation (Continued)

(c) Translation of Group entities' financial statements

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

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

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

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.26 Segment reporting

For management purposes, operating segments are organised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers are directly accountable to the Joint Managing Directors who regularly reviews the segment results in order to allocate resources to the segments and to assess segment performance.

2.27 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

(a) *Fair value of investment properties (Note 5)*

The Group carries its investment properties at their fair values determined by independent professional valuers, with changes in the fair values recognised in profit or loss. In determining the fair values, the valuers have used valuation methodologies and techniques which involve certain estimates and assumptions. The key estimates and assumptions to determine the fair values of the investment properties are the adjusted selling price per square metre, estimated rental value per square metre, vacancy rates and capitalisation rates. In relying on the independent valuations performed, management has assessed that the valuation methods and estimates are reflective of current market conditions.

A few of the valuation reports obtained from the independent professional valuers have highlighted the market uncertainty as above normal valuation uncertainty. In light of the continuing effects of COVID-19 pandemic, the Russian invasion of Ukraine, geopolitical issues with China, worldwide inflation and rising interest rate, the valuers highlighted the importance of monitoring current and future events and recommended for the valuations to be kept under frequent review.

The carrying amount of investment properties and the key assumptions and estimates used to determine the fair value of the investment properties are disclosed in Note 5 and Note 42(b) respectively. If the fair values of investment properties decrease/increase by 1% from the estimates, profit after tax and net assets of the Group will decrease/increase by $4,935,000.

(b) *Impairment assessment of goodwill (Note 10)*

In performing the impairment assessment of the carrying amount of goodwill, as disclosed in Note 10, the recoverable amounts of the cash-generating units (“CGUs”) in which goodwill has be attributable to, are determined using the higher of fair value less costs to sell (“FVLCS”) or value-in-use (“VIU”) calculations.

Goodwill relates to one hotel operation in Australia and the recoverable amount of the CGU as at 31 December 2022 was determined based on FVLCS. The valuation report of the hotel in Australia used for the impairment test of the CGU for the financial year ended 31 December 2022 contained a material valuation uncertainty clause. The clause highlighted that given the unprecedented set of circumstances caused by COVID-19 under which the valuations were performed, less certainty and a higher degree of caution should be attached to the valuations than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, the valuers have recommended to keep the valuation of the properties under frequent review.

Significant estimates and assumptions used to estimate the recoverable amount of the CGUs include the discount rate, terminal yield/growth rate and income capitalisation rate as disclosed in Note 10. In making these estimates, management has relied on comparable hotel sales and transactions where such yields are purported to reflect expectations of future growth in income and capital value, past performance of the hotels and management’s estimates of long-term growth rates based on available market data.

3. Critical accounting estimates, assumptions and judgements (Continued)

3.2 Critical judgements in applying the entity's accounting policies

(a) Income taxes (Note 15 and 31)

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Impairment assessment of property, plant and equipment and right-of-use assets (Note 6)

The Group had assessed at 31 December 2022 whether property, plant and equipment and right-of-use assets included within property, plant and equipment had any indication of impairment in accordance with the accounting policy in Note 2.23. The carrying amount of the Group's property, plant and equipment and right-of-use assets as at 31 December 2022 is as disclosed in Note 6. Based on management's assessment, no indication of impairment was observed as at 31 December 2022.

(c) Going concern

As at 31 December 2022, the Group and the Company's current liabilities exceeded its current assets by $113,935,000 and $334,132,000 respectively. Notwithstanding this, these financial statements have been prepared on a going concern basis as management is of the opinion that there is no material uncertainty for the Group and the Company to continue as a going concern for the following reasons:

(i) The Group has generated net profits of $20,176,000 and net cash from operating activities of $55,846,000 for the financial year ended 31 December 2022. The Company and the Group also have net assets of $372,068,000 and $845,806,000 respectively as at 31 December 2022.

(ii) The Group's secured borrowings of $342,846,000 (Note 23) are pledged on assets whose estimated market value are in excess of the total facility amounts.

(iii) During the year, the Group successfully refinanced all expiring loans (including revolving credit facilities) due in September and October 2022. Included within the Group's current borrowings as at 31 December 2022 are revolving credit facilities of $97,988,000. The Group has the right to rollover these borrowings up to the final termination date in September 2025, March and April 2026, subject to meeting financial covenants, including the loan to value ratios, net worth covenants, gearing ratio and interest coverage ratios. The covenants are tested semi-annually, or otherwise at the direction of the lender in certain circumstances. The Group has complied with all financial covenants and rolled over all revolving credit facilities as at the date of these financial statements. These roll-overs indicated continuing financial support from the Group's lender.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. Critical accounting estimates, assumptions and judgements (Continued)

3.2 Critical judgements in applying the entity's accounting policies (Continued)

(c) Going concern (Continued)

(iv) The Group has undrawn credit facilities for group funding requirements of $170,180,000 as at 31 December 2022 and may further leverage on unencumbered investment properties and hotel properties with a carrying amount of $399,166,000 as at 31 December 2022 for new credit facilities.

(v) Management has and will continue to implement other measures to conserve the cash resources of the Group to sustain its business operations and ongoing projects to ensure the viability of the Group. Based on the Group's cash balance as at the date of these financial statements and cash flow forecasts for the next 12 months, the Group is expected to have sufficient cash flows to meet its financial obligations (including interest payments) as and when they fall due.

Management reviewed the most recent projections and having considered the Group's operating performance, renewal of the existing loan facilities, and measures by the Group to conserve cash resources, together with continued support from the financial institutions, management concluded that the Group is expected to have sufficient cash flows to continue its operations and meet its financial obligations as and when they fall due.

4. Revenue

The Group	2022 $'000	2021 $'000
Revenue from contracts with customers:		
Hotel operations	**150,172**	71,323
Waste disposal and contract cleaning services	**39,012**	41,877
Car parking fees and service charge	**2,459**	2,402
Food and beverage operations	**188**	1,523
	191,831	117,125
Other revenue:		
Rental income	**17,165**	17,261
Dividend income	**28**	28
	17,193	17,289
	209,024	134,414
Timing of revenue recognition for revenue from contracts with customers		
At a point in time	**70,352**	40,128
Over time	**121,479**	76,997
	191,831	117,125

The Group's dividend income relates to dividends received from investments in equity instruments designated at FVOCI.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

4. Revenue (Continued)

(a) Contract assets and liabilities

The Group	31 December 2022 $'000	31 December 2021 $'000	1 January 2021 $'000
Contract assets	**–**	1,556	–
Contract liabilities (Note 26)	**7,804**	6,106	5,135

Contract assets at 31 December 2021 relate to the Group's rights to consideration for services rendered but not yet billed at the reporting date on the provision of hotel accommodation, food and beverage operations and other services. Contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

Contract liabilities primarily relate to the advance consideration received from customers for rental of hotel rooms and sale of food and beverages. Contract liabilities has increased due to higher advances received from customers for hotel room rental and banquet events as at 31 December 2022. Room and food and beverage revenue of $647,000 (2021: $933,000) recognised in the current financial year was included in the contract liabilities balance at the beginning of the financial year.

Management expects that 95%, or $7,414,000 (2021: 95%, or $5,801,000) of the transaction price allocated to the unsatisfied performance obligations as of 31 December 2022 (2021: 31 December 2021) may be recognised as revenue during the next reporting period. The remaining 5%, or $390,000 may be recognised in the financial year ending 31 December 2024 (2021: 5%, or $305,000 may be recognised in the financial year ending 31 December 2023).

As permitted under SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less is not disclosed.

(b) Trade receivables from contracts with customers

The Group	31 December 2022 $'000	31 December 2021 $'000	1 January 2021 $'000
Current assets			
Trade receivables from contracts with customers	**16,458**	12,732	10,397
Loss allowance	**(889)**	(868)	(877)
	15,569	11,864	9,520

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

5. Investment properties

The Group	2022 $'000	2021 $'000
Beginning of financial year	**590,880**	559,955
Currency translation differences	**(6,222)**	(3,336)
Government grants received for investment properties [Note 5(a)]	**–**	(654)
Additions during the year	**6**	7
Commission expense capitalised	**239**	–
Amortisation of commission expense capitalised	**(22)**	–
Transfer from property, plant and equipment [Note 6(e)]	**–**	17,500
Fair value gain recognised in profit or loss (Note 27)	**9,672**	17,408
End of financial year	**594,553**	590,880

(a) Government grants received in 2021 relates to cash incentives received from the Singapore Government under the Green Mark Incentives Scheme.

(b) The fair value hierarchy, valuation process, techniques and inputs used to determine the fair values of investment properties are disclosed in Note 42(b).

(c) Commission expense capitalised relates to agent commission paid to obtain a lease contract with a customer during the financial year. This will be amortised on a straight line basis till the end of lease period in July 2029.

(d) At the end of the reporting period, the investment properties held by the Group comprise:

Location	Description	Area sq. metres	Tenure
541 Orchard Road, Singapore	21-storey commercial/office building and land	19,209	Freehold
Zone Touristique Gammarth La Marsa, Tunisia	2-storey commercial building and land	7,950	Freehold
Zone Touristique Gammarth La Marsa, Tunisia	Club houses	16,170	Freehold
Lot 66, 482-484 and 486-488 Murray Street, Perth, Australia	2-adjourning converted office buildings	2,075	Freehold
725 Wellington Street, Perth, Australia	Vacant land for re-development	5,160	Freehold
498, 500, 502, 504, 506, 508, 510, 512, 514, 516, 518, 520, 522, 524, 526, 528, 530, 532, 534, 536 Murray Street, Perth, Australia	Commercial building	2,138	Freehold
243/A Holland Avenue, Singapore	2-storey shophouse	325	Freehold

5. Investment properties (Continued)

(e) Bank borrowings and bank guarantees are secured on certain investment properties of the Group amounting to $496,634,000 (2021: $490,000,000) [Note 23(a)(ii)].

(f) The following amounts are recognised in profit or loss:

The Group	2022 $'000	2021 $'000
Rental income (Note 4)	**17,165**	17,261
Direct operating expenses arising from investment properties that generated rental income	**3,570**	3,489

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

6. Property, plant and equipment

The Group	Freehold land $'000	Freehold buildings $'000	Leasehold land and buildings $'000	Plant, equipment and containers $'000	Furniture, fittings, office equipment and renovations $'000	Motor vehicles $'000	Computers $'000	Store fittings, equipment and appliances $'000	Hotel operating assets $'000	Construction-in-progress $'000	Total $'000
Cost											
At 1 January 2021	82,191	289,157	401,285	76,109	115,184	22,386	6,519	485	11,380	5,471	1,010,167
Currency translation differences	(1,129)	(3,082)	4,455	89	(661)	26	(30)	(7)	(233)	(287)	(859)
Additions	893	6,241	10,524	1,040	6,782	372	58	8	664	5,841	32,423
Government grants received	–	–	–	–	(276)	–	–	–	–	–	(276)
Reclassifications	–	–	(2,989)	84	3,642	(84)	–	–	439	(1,092)	–
Transfer to investment property – depreciation offset	–	(70)	–	–	–	–	–	–	–	–	(70)
Revaluation of building transferred to investment property [Note 6(e)]		3,564	–	–	–	–	–	–	–	–	3,564
Transfer to investment property (Note 5)	–	(17,500)	–	–	–	–	–	–	–	–	(17,500)
Disposals	–	–	(292)	(196)	(871)	(1,539)	–	(237)	–	–	(3,135)
Written-off	–	–	(205)	(618)	(1,290)	–	(38)	(46)	(7)	–	(2,204)
At 31 December 2021	81,955	278,310	412,778	76,508	122,510	21,161	6,509	203	12,243	9,933	1,022,110
Currency translation differences	(3,527)	(9,925)	(8,024)	(1,527)	(2,197)	(202)	(105)	(11)	(357)	(909)	(26,784)
Additions	242	1,813	2,180	2,577	4,811	1,555	320	–	1,624	2,918	18,040
Government grants received	–	–	–	(84)	–	–	(86)	–	–	–	(170)
Reclassifications	–	–	3,303	–	(3,245)	–	89	–	(30)	(117)	–
Disposals	–	–	(162)	(1,881)	(327)	(2,199)	–	(60)	–	–	(4,629)
Written-off	–	(8,903)	–	(296)	(3,062)	–	(20)	–	(46)	–	(12,327)
At 31 December 2022	**78,670**	**261,295**	**410,075**	**75,297**	**118,490**	**20,315**	**6,707**	**132**	**13,434**	**11,825**	**996,240**
Accumulated depreciation and impairment losses											
At 1 January 2021	–	111,895	62,878	54,001	96,474	13,339	5,271	357	10,844	–	355,059
Currency translation differences	–	(1,678)	191	(66)	(762)	–	(31)	(4)	(246)	–	(2,596)
Depreciation charge	–	8,324	10,281	4,807	5,913	2,107	695	37	351	–	32,515
Reclassifications	–	–	7	(69)	(22)	69	–	–	15	–	–
Transfer to investment property – depreciation offset	–	(70)	–	–	–	–	–	–	–	–	(70)
Impairment loss [Note 6(f)]		–	–	726	–	–	–	–	–	–	726
Disposal	–	–	(215)	(196)	(793)	(1,329)	–	(221)	–	–	(2,754)
Written-off	–	–	(59)	(519)	(1,205)	–	(36)	(30)	(7)	–	(1,856)
At 31 December 2021	–	118,471	73,083	58,684	99,605	14,186	5,899	139	10,957	–	381,024
Currency translation differences	–	(3,709)	(1,247)	(1,160)	(1,687)	(133)	(106)	(11)	(248)	–	(8,301)
Depreciation charge	–	9,049	10,182	3,814	4,177	2,086	445	15	226	–	29,994
Disposals	–	–	(162)	(1,807)	(306)	(2,060)	–	(47)	–	–	(4,382)
Written-off	–	(8,903)	–	(294)	(3,061)	–	(20)	–	(46)	–	(12,324)
At 31 December 2022	**–**	**114,908**	**81,856**	**59,237**	**98,728**	**14,079**	**6,218**	**96**	**10,889**	**–**	**386,011**
Net book value											
At 31 December 2022	**78,670**	**146,387**	**328,219**	**16,060**	**19,762**	**6,235**	**489**	**37**	**2,545**	**11,825**	**610,229**
At 31 December 2021	81,955	159,839	339,695	17,824	22,905	6,975	610	64	1,286	9,933	641,086

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

6. Property, plant and equipment (Continued)

The Company	Motor vehicle $'000	Computers $'000	Total $'000
Cost			
At 1 January 2021 and 31 December 2021	809	1	810
Additions	1,088	–	1,088
Disposals	(809)	–	(809)
At 31 December 2022	**1,088**	**1**	**1,089**
Accumulated depreciation			
At 1 January 2021 and 31 December 2021	809	1	810
Depreciation charge	145	–	145
Disposals	(809)	–	(809)
At 31 December 2022	**145**	**1**	**146**
Net book value			
At 31 December 2022	**943**	**–**	**943**
At 31 December 2021	–	–	–

(a) Freehold land and buildings comprise:
   - (i) A hotel at 39 Scotts Road, Singapore;
   - (ii) A hotel in Tunis, Tunisia;
   - (iii) A hotel under construction in Douz, Tunisia;
   - (iv) A hotel under construction in the Medina of Tunis, Tunisia;
   - (v) Golf course in Tunis, Tunisia;
   - (vi) 2 plots of beachfront land in the touristic area of Djerba, Tunisia;
   - (vii) A plot of land in the touristic area of Gammarth, Tunisia;
   - (viii) A hotel at 707 Wellington Street, Perth, Australia; and
   - (ix) 2 riad-hotels located in the Medina of Marrakech, Morocco and a plot of land with a country club and swimming pool. The Group has obtained development approval for the development of villa hotel in Marrakech, Morocco.

(b) Leasehold land and buildings comprise:
   - (i) Hotel building in Mauritius. The lease on the land will expire on 18 July 2068;
   - (ii) Leasehold land in Bintan, Indonesia. The lease on the land will expire between 24 September 2037 and 20 November 2038 and may be extended for a period of 20 years and renewed for a further 30 years;
   - (iii) Leasehold land in Mapur, Bintan, Indonesia. The lease on the land will expire between 23 September 2038 and 14 December 2039 and may be extended for a period of 20 years and renewed for a further 30 years;
   - (iv) Resort hotel in Zanzibar. The lease on the land will expire on 4 February 2056;
   - (v) Resort hotel in Maldives on the island of Falhumaafushi and Kodahhutta, in Gaafu Alifu Atoll, Republic of Maldives. The lease on the island will expire on 25 February 2058; and Resort hotel on the island of Dhigurah in Gaafu Alifu Atoll, Republic of Maldives. The lease on the island will expire on 9 July 2061;
   - (vi) A single storey detached factory on leasehold land located at 8 Tuas South Street 13, Singapore. The lease on the land will expire on 30 November 2030; and
   - (vii) Leasehold land in Bali, Indonesia. The lease on the land will expire between 26 November 2034 and 15 July 2052 and may be extended for a period of 20 years and renewed for a further 30 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

6. Property, plant and equipment (Continued)

(c) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 7(a).

(d) Freehold land and buildings and equipment with a net book value of $210,905,000 (2021: $218,585,000) and leasehold land and buildings and equipment with a net book value of $27,784,000 (2021: $27,285,000) are mortgaged for bank borrowings and guarantees (Note 23(a)(ii)).

(e) In 2021, the Group transferred a building at 243/A Holland Avenue, Singapore to investment property, as the building was leased to a non-related party and no longer used by the Group. Immediately before the transfer, the Group remeasured the property to fair value and recognised a gain of $3,564,000 in other comprehensive income. The valuation techniques and significant unobservable inputs used in measuring the fair value of the building at the date of transfer were the same as those applied to investment property at the reporting date [Note 42(b)].

(f) As at 31 December 2021, based on management's assessment, the carrying amount of certain plant, equipment and containers within the rear loaders CGU in the Industrial segment exceeded their recoverable amount of $4,323,000. The recoverable amount was estimated based on the FVLCS approach, where management had obtained quotations from external vendors, and was categorised within Level 1 of the fair value hierarchy. Impairment losses of $726,000 were recorded in FY2021.

7. Leases – The Group as a lessee

Nature of the Group's leasing activities

Leasehold land

The Group has made upfront payments to secure right-of-use of leasehold land, which are used in the Group's hotel operations in various countries. These leasehold land are recognised within Property, plant and equipment (Note 6).

The Group also makes annual lease payments for certain leasehold land and recognises these as lease liability (Note 25). The right-of-use assets are included within Property, plant and equipment (Note 6).

Equipment

The Group leases photocopier equipment for the business operations. The lease arrangements prohibit the Group from subleasing the equipment.

(a) *Carrying amounts*

ROU assets classified within Property, plant and equipment

	2022 $'000	2021 $'000
Leasehold land	**58,131**	59,919
Furniture, fittings, office equipment and renovations	**43**	68
Hotel operating assets	**19**	42
	58,193	60,029

7. Leases – The Group as a lessee (Continued)

Nature of the Group's leasing activities (Continued)

Equipment (Continued)

(b) *Depreciation charge during the year*

	2022 $'000	2021 $'000
Leasehold land	**2,282**	2,303
Furniture, fittings, office equipment and renovations	**25**	27
Hotel operating assets	**23**	23
Total	**2,330**	2,353

(c) *Interest expense*

	2022 $'000	2021 $'000
Interest expense on lease liabilities	**2,009**	1,971

(d) *Lease expense not capitalised in lease liabilities*

	2022 $'000	2021 $'000
Employee benefit costs – short-term leases for staff accommodation	**68**	67

(e) Total cash outflow for all the leases was $3,336,000 (2021: $2,960,000).

(f) Additions of ROU assets during the year was $1,902,000 (2021: $8,363,267), in which $1,466,000 (2021: $1,062,000) relates to capitalisation of leases of leasehold land and building.

(g) The leases for certain properties contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. As at 31 December 2022, potential future cash outflows for these leases amounted to $400,800 (2021: $508,200). The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The extension options are exercisable by the Group and not by the lessor.

8. Leases – The Group as a lessor

Nature of the Group's leasing activities – Group as a lessor

The Group has leased out their owned investment properties to non-related parties for monthly lease payments over a period of two to seven years. Where considered necessary to reduce credit risk, the Group may obtain deposits or bank guarantees amounting to three to five months of the monthly lease rental. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties are disclosed in Note 5.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

8. Leases – The Group as a lessor (Continued)

Nature of the Group's leasing activities – Group as a lessor (Continued)

Undiscounted lease payments from the operating leases to be received after the reporting date are as follows:

The Group	2022 $'000	2021 $'000
Not later than one year	**13,986**	13,181
One to two years	**10,665**	10,516
Two to three years	**8,376**	7,237
Three to four years	**7,286**	5,444
Four to five years	**3,842**	5,277
Later than five years	**4,565**	1,354
	48,720	43,009

9. Subsidiaries

The Company	2022 $'000	2021 $'000
Quoted equity investments, at cost	**17,335**	17,335
Unquoted equity investments, at cost	**326,476**	326,476
	343,811	343,811
Amounts owing by subsidiaries on long-term loan account	**654,373**	594,579
	998,184	938,390
Less: Accumulated impairment losses		
Beginning of financial year	**(87,891)**	(87,410)
Impairment charge	**(57)**	(481)
End of financial year	**(87,948)**	(87,891)
	910,236	850,499

The amounts owing by subsidiaries on long-term loan account are considered an extension of the Company's net investment in the subsidiaries as settlement of these balances is neither planned nor likely to occur in the foreseeable future. These are unsecured, and interest-free.

The market value of quoted equity investments as at 31 December 2022 was $23,538,000 (2021: $20,713,000) and related to Colex Holdings Limited ("Colex"), which was listed on Catalist secondary board on SGX-ST. Colex was delisted on 22 March 2023 (Note 45).

The impairment charge in both financial years arose as the carrying values of certain unquoted equity investments exceeded their recoverable amounts, estimated based on fair value less costs to sell as at the end of the reporting period. The fair values are within Level 3 of the fair value hierarchy.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. Subsidiaries (Continued)

The subsidiaries are:

	Name	Principal activities	Country of business/ incorporation	Cost of investment 2022 $'000	Cost of investment 2021 $'000	Proportion of ordinary shares held by the Group 2022 %	Proportion of ordinary shares held by the Group 2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	Proportion of ordinary shares held by non-controlling interests 2021 %
	Held by the Company								
[1]	Goldcove Pte Ltd (formerly known as Bonfresh Pte Ltd)	Investment holding	Singapore	**&&**	&&	**100**	100	**–**	–
[1]	Bonvests Trading Pte Ltd	Investment holding	Singapore	**5**	5	**100**	100	**–**	–
[1]	Cavendish Realty Pte Ltd	Property developer	Singapore	**4,121**	4,121	**100**	100	**–**	–
[10]	Goldfront Pte Ltd (formerly known as Colex Compost Pte Ltd)	Dormant	Singapore	**&&**	&&	**100**	100	**–**	–
[1]	Colex Holdings Limited	Investment holding; business and management consultancy services	Singapore	**17,335**	17,335	**79.7**	79.7	**20.3**	20.3
[1]	Coop International Pte Ltd	Investment holding	Singapore	**10,064**	10,064	**100**	100	**–**	–
[1]	Henrick (Singapore) Pte Ltd	Investment holding	Singapore	**&&**	&&	**100**	100	**–**	–
[1]	Goldvista Pte Ltd	Investment holding	Singapore	**1,285**	1,285	**100**	100	**–**	–
[1]	Magnificent Developments Pte Ltd	Property developer	Singapore	**20,000**	20,000	**100**	100	**–**	–
[2]	Belle Mare Beach Development Company Limited	Hotel operations and related activities	Mauritius	**2,186**	2,186	**100**	100	**–**	–
[1]	The Residence Hotels & Resorts Management Pte Ltd	Public relations consultancy services and sales and marketing support services	Singapore	**30,000**	30,000	**100**	100	**–**	–
[3]	Richvein Pte Ltd	Hotel operations and related activities	Singapore	**143,537**	143,537	**100**	100	**–**	–
[1]	The Allied Folks Pte Ltd	Operation of food and beverage outlets	Singapore	**&&**	&&	**100**	100	**–**	–
[1]	The Residence Hotels & Resorts Pte Ltd	Hotel management and operation	Singapore	**&&**	&&	**100**	100	**–**	–
[10]	The Residence Hotels & Resorts Management Services Pte Ltd	Dormant	Singapore	**&&**	&&	**100**	100	**–**	–

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. Subsidiaries (Continued)

The subsidiaries are: (Continued)

	Name	Principal activities	Country of business/ incorporation	Cost of investment		Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
				2022	2021	2022	2021	2022	2021
				$'000	$'000	%	%	%	%
	Held by the Company								
1	Bonforte Investments Pte Ltd	Investment holding	Singapore	**3,600**	3,600	**100**	100	**–**	–
1	Bonsworth Developments Pte Ltd	Investment holding	Singapore	**&&**	&&	**100**	100	**–**	–
10	Gala Laundry Pte Ltd	Dormant	Singapore	**1,000**	1,000	**100**	100	**–**	–
1	International Real Estate Corporation (Private) Limited	Investment holding	Singapore	**112**	112	**100**	100	**–**	–
1	Bon-Food Pte Ltd	Property investment	Singapore	**22,753**	22,753	**100**	100	**–**	–
1	Bonvests Investments Pte Ltd	Investment holding	Singapore	**758**	758	**100**	100	**–**	–
1	Goldvein Pte Ltd	Property investment	Singapore	**75,155**	75,155	**100**	100	**–**	–
1	Goldvein Trading Pte Ltd	Property investment	Singapore	**5,000**	5,000	**100**	100	**–**	–
1	Update Investments Pte Ltd	Property investment	Singapore	**660**	660	**100**	100	**–**	–
1	Essential Investments Pte Ltd	Property investment	Singapore	**6,240**	6,240	**100**	100	**–**	–
1	Goldprime Pte Ltd	Investment holding	Singapore	**&&**	&&	**100**	100	**–**	–
1	Goldview Pte Ltd	Investment holding	Singapore	**&&**	&&	**100**	100	**–**	–
1	Goldpoint Pte Ltd	Investment holding	Singapore	**&&**	&&	**100**	100	**–**	–
1	Bonswiss Pte Ltd	Dormant	Singapore	**&&**	&&	**100**	100	**–**	–
10	Cenizaro Pte Ltd	Dormant	Singapore	**&&**	&&	**100**	100	**–**	–
10	Claridges Pte Ltd	Dormant	Singapore	**&&**	&&	**100**	100	**–**	–
				343,811	343,811				

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. Subsidiaries (Continued)

The subsidiaries are: (Continued)

	Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2022 %	Proportion of ordinary shares held by the Group 2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	Proportion of ordinary shares held by non-controlling interests 2021 %
	Held by Bonvests Trading Pte Ltd and Coop International Pte Ltd						
4	PT. Bintan Vista	Hotel operations and related activities	Indonesia	**100**	100	**–**	–
	Held by Goldvista Pte Ltd and Coop International Pte Ltd						
4	PT. Bintan Golden Land	Hotel development	Indonesia	**100**	100	**–**	–
	Held by Colex Holdings Limited						
1	Integrated Property Management Pte Ltd	Contract cleaning services	Singapore	**79.7**	79.7	**20.3**	20.3
1	Colex Environmental Pte Ltd	Provider of waste management services, namely waste disposal services to commercial, industrial, residential properties and other waste disposal related businesses	Singapore	**79.7**	79.7	**20.3**	20.3
1	Juz Clean Pte Ltd (formerly known as Claridges Pte Ltd)	General cleaning and related services	Singapore	**79.7**	79.7	**20.3**	20.3
	Held by Bonsworth Developments Pte Ltd						
6	Bonaventure (Maldives) Pvt Ltd	Hotel operations and related activities	Maldives	**100**	100	**–**	–
	Held by Goldpoint Pte Ltd						
6	Bonavista (Maldives) Pvt Ltd	Hotel operations and related activities	Maldives	**100**	100	**–**	–
	Held by Goldview Pte Ltd						
7	Hotel & Property Development (Kendwa) Limited	Hotel operations and related activities	Zanzibar	**100**	100	**–**	–
	Held by Goldprime Pte Ltd						
5	Singapore Tunisian Investment Company	Hotel operations and related activities	Tunisia	**99.8**	99.8	**0.2**	0.2
	Held by Singapore Tunisian Investment Company						
5	Singapore Tunisian Investment Company Immobiliere	Operation of golf course and property development	Tunisia	**99.8**	99.8	**0.2**	0.2
5	Singapore Tunisian Investment Company Douz	Hotel operations and related activities	Tunisia	**99.8**	99.8	**0.2**	0.2
5	Singapore Tunisian Investment Company Medina	Hotel operations and related activities	Tunisia	**99.8**	99.8	**0.2**	0.2
5	Singapore Tunisian Investment Company Djerba	Hotel operations and related activities	Tunisia	**99.8**	99.8	**0.2**	0.2

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. Subsidiaries (Continued)

The subsidiaries are: (Continued)

	Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2022 %	2021 %	Proportion of ordinary shares held by non-controlling interests 2022 %	2021 %
5	Singapore Tunisian Investment Company Commerce Import	Import merchandise and equipment	Tunisia	**99.8**	99.8	**0.2**	0.2
	Held by Henrick (Singapore) Pte Ltd						
8	Bonaventure (Australia) Pty Ltd	Investment holding and provision of trustee services	Australia	**100**	100	**–**	–
8	Bonaventure (Australia) Trust	Investment holding	Australia	**100**	100	**–**	–
	Held by Bonaventure (Australia) Pty Ltd						
8	Bonaventure (Perth) Pty Ltd	Provision of trustee services	Australia	**100**	100	**–**	–
8	Claridges (Perth) Pty Ltd	Provision of trustee services	Australia	**100**	100	**–**	–
8	Goldvista (Perth) Pty Ltd	Provision of trustee services	Australia	**100**	100	**–**	–
	Held by Bonaventure (Australia) Trust						
8	Bonaventure (Perth) Trust	Hotel operations and related activities	Australia	**100**	100	**–**	–
8	Claridges (Perth) Trust	Property investment	Australia	**100**	100	**–**	–
8	Goldvista (Perth) Trust	Property investment	Australia	**100**	100	**–**	–
	Held by Goldcove Pte Ltd						
9	Goldcove SA	Hotel operations and related activities	Morocco	**100**	100	**–**	–
	Held by Bonforte Investment Pte Ltd and Coop International Pte Ltd						
4	PT Bali Vista Indah	Hotel development	Indonesia	**100**	100	**–**	–

1 Audited by PricewaterhouseCoopers LLP, Singapore
2 Audited by Ernst & Young, Mauritius (2021: PricewaterhouseCoopers, Mauritius)
3 Audited by Ernst & Young, Singapore
4 Audited by PricewaterhouseCoopers, Indonesia
5 Audited by PricewaterhouseCoopers, Tunisia
6 Audited by Ernst & Young, Maldives
7 Audited by PricewaterhouseCoopers, Tanzania
8 Audited by PricewaterhouseCoopers, Australia
9 Audited by BDO, Morocco
10 Not required to be audited under the laws of the country of incorporation
&& Represents amount less than $500

In accordance to Rule 716 of The Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Company.

9. Subsidiaries (Continued)

(a) Acquisition of non-controlling interests

In 2021, the Company through its wholly-owned subsidiary, Coop International Pte Ltd, acquired an additional 0.74% equity interest in its listed subsidiary in Singapore, Colex Holdings Limited ("Colex") through the open market for $208,000 (including brokerage and fees). As a result, the Group's equity interest in Colex increased from 78.9% to 79.7%. The difference of $23,000 between the consideration paid to non-controlling interests and the carrying value of non-controlling interests acquired was recognised as "Premium paid on acquisition of non-controlling interests" within equity.

(b) Subscription of shares in a subsidiary

In 2021, the Company through its wholly-owned subsidiary, Goldprime Pte Ltd ("Goldprime") subscribed for 1,750,000 shares in Singapore Tunisian Investment Company ("STIC") amounting to approximately $8,429,000 through the capitalisation of the amount owing by STIC to Goldprime. As a result, the Group's equity interest in STIC increased from 99.69% to 99.75%. The difference of $3,000 between the amount capitalised and the change in shareholding interests arising from the subscription of shares was recognised as "Premium paid on acquisition of non-controlling interests" within equity.

(c) Summarised financial information of subsidiaries with material non-controlling interests

Carrying value of non-controlling interests	**2022 $'000**	**2021 $'000**
Colex Holdings Limited and its subsidiaries	**3,446**	6,151
Singapore Tunisian Investment Company and its subsidiaries	**123**	129
Total	**3,569**	6,280

The non-controlling interests for subsidiaries are, in the opinion of the directors, not material to the Group except for those of Colex Holdings Limited and its subsidiaries.

Set out below is the summarised financial information of Colex Holdings Limited and its subsidiaries, presented before inter-company eliminations:

Summarised balance sheet

	31 December	
	2022 $'000	**2021 $'000**
Current		
Assets	**13,704**	24,996
Liabilities	**(4,960)**	(4,522)
Total net current assets	**8,744**	20,474
Non-current		
Assets	**11,751**	14,209
Liabilities	**(3,534)**	(4,408)
Total net non-current assets	**8,217**	9,801
Net assets	**16,961**	30,275

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. Subsidiaries (Continued)

(c) Summarised financial information of subsidiaries with material non-controlling interests (Continued)

Summarised income statement

	For the year ended 31 December	
	2022	2021
	$'000	$'000
Revenue	**39,708**	42,532
Expenses	**(43,705)**	(47,679)
Loss before income tax	**(3,057)**	(1,387)
Income tax credit	**345**	703
Loss after tax and total comprehensive loss	**(2,712)**	(684)
Total comprehensive loss allocated to non-controlling interests	**(551)**	(138)
Dividends paid to non-controlling interests	**2,154**	–

Summarised cash flows

	For the year ended 31 December	
	2022	2021
	$'000	$'000
Net cash generated from operating activities	**167**	1,622
Net cash provided by/(used in) investing activities	**36**	(659)
Net cash used in financing activities	**(11,834)**	(1,071)

10. Goodwill

The Group	2022 $'000	2021 $'000
Cost		
Beginning of financial year	**21,484**	22,271
Currency translation differences	**(1,602)**	(787)
End of financial year	**19,882**	21,484
Accumulated impairment		
Beginning of financial year	**10,884**	11,307
Currency translation differences	**(800)**	(423)
End of financial year	**10,084**	10,884
Net book value	**9,798**	10,600

10. Goodwill (Continued)

Impairment test for goodwill

For the purpose of goodwill impairment testing, goodwill has been allocated to the CGU within the Group's hotel business segment as follows:

	2022 **$'000**	2021 $'000
Hotel operations – Australia	**9,339**	10,080
Hotel operations – Morocco	**459**	520
	9,798	10,600

Hotel operations – Australia

The recoverable amount of the CGU in which goodwill has been attributable to was based on the fair value less costs of disposal, determined using the market capitalisation and discounted cash flow method by the Group's independent professional valuer using cash flow projections of 5 to 10 years.

The key assumptions used in the calculation of the recoverable amount in respect of discount rate, terminal yield rate and income capitalisation rate are set out below.

	2022	2021
Discount rate	**7.5%**	6.5%
Terminal yield rate	**6.0%**	5.0%
Income capitalisation rate	**5.8%**	5.0%

In making these estimates, management has relied on comparable hotel sales and transactions where such yields are purported to reflect expectations of future growth in income and capital value.

The discount rate used is based on an analysis of comparable hotel sales. The income capitalisation rate is derived from the yields indicated by sales of similar property investments. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation techniques used.

The CGU's recoverable amount exceeded its carrying amount and the allocated goodwill was not impaired.

Hotel operations – Morocco

The recoverable amount of the CGU in which goodwill has been attributable to was based on VIU, determined using the discounted cash flow method based on cash flow projections of 5 years.

The key assumptions used in the calculation of the recoverable amount in respect of the discount rate, terminal growth rate and revenue growth rate are set out below.

	2022	2021
Discount rate	**15.0%**	15.0%
Terminal growth rate	**2.0%**	2.0%
Revenue growth rate	**10.0%**	2.0%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

10. Goodwill (Continued)

Impairment test for goodwill (Continued)

In making these estimates, management has relied on past performance, expectations of market developments including the impact of COVID-19, and estimates of long-term growth rates based on available market data.

The CGU's recoverable amount exceeded its carrying amount and the allocated goodwill was not impaired.

11. Financial assets, at FVOCI

The Group	2022 $'000	2021 $'000
Beginning of financial year	**5,624**	7,318
Fair value losses recognised in other comprehensive income [Note 22(a)]	**(3,059)**	(1,694)
End of financial year	**2,565**	5,624

The Group	2022 $'000	2021 $'000
Financial assets at FVOCI are analysed as follows:		
Quoted equity investments – Singapore [Note 11(a)]	**2,565**	5,624

(a) The fair value of quoted equity investments are determined by reference to Singapore Exchange Securities quoted prices.

12. Club memberships

The Company and The Group	2022 $'000	2021 $'000
Club memberships with indefinite life, at cost	**21**	21
Market value of club memberships	**21**	21

No further adjustment has been made to reflect the book value to the fair value as the directors deem the adjustments as immaterial.

13. Accrued rental income

The Group	2022 $'000	2021 $'000
Accrued rental income	**1,600**	648
Less: Current portion (Note 18)	**(188)**	(310)
Non-current portion	**1,412**	338

Accrued rental income represent the aggregate cost of incentives provided to the lessees (Note 8) and are recognised as a reduction of rental income over the lease term, on a straight-line basis.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

14. Long-term prepayments and receivables

The Group	2022 $'000	2021 $'000
Others	**3**	3
	3	3

15. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

The Group	2022 $'000	2021 $'000
Deferred tax assets	**(4,615)**	(5,181)
Deferred tax liabilities	**14,122**	14,410
Net deferred tax liabilities	**9,507**	9,229

Movements in deferred income tax liabilities/(assets) accounts are as follows:

The Group	2022 $'000	2021 $'000
Beginning of financial year	**9,229**	13,980
Currency translation differences	**(817)**	(725)
Tax charged/(credited) to profit or loss (Note 31)		
- current year	**520**	(4,846)
- under provision in respect of previous years	**575**	494
Reclassification	**–**	326
End of financial year	**9,507**	9,229

The movements in deferred income tax assets and liabilities are as follows:

The Group	Accelerated tax depreciation $'000	Revaluation gains – net $'000	Tax losses $'000	Lease liabilities $'000	Others $'000	Total $'000
At 1 January 2022	**16,934**	**3,354**	**(9,691)**	**(628)**	**(740)**	**9,229**
Charged/(credited) to profit or loss	1,331	(224)	(277)	(3)	268	1,095
Currency translation differences	(786)	338	53	–	(422)	(817)
At 31 December 2022	**17,479**	**3,468**	**(9,915)**	**(631)**	**(894)**	**9,507**
At 1 January 2021	18,616	5,398	(8,719)	(572)	(743)	13,980
(Credited)/charged to profit or loss	(1,304)	(1,892)	(800)	(56)	(300)	(4,352)
Currency translation differences	(378)	(152)	(172)	–	(23)	(725)
Reclassification	–	–	–	–	326	326
At 31 December 2021	16,934	3,354	(9,691)	(628)	(740)	9,229

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

15. Deferred income taxes (Continued)

Subject to agreement with the relevant tax authorities, the Group has unrecognised unutilised capital allowances and tax losses amounting to approximately $730,000 and $94,377,000 respectively (2021: $774,000 and $98,423,000 respectively) available for offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised unutilised capital allowances and tax losses in their respective countries of incorporation. The capital allowances and tax losses have no expiry date.

16. Inventories

The Group	2022 $'000	2021 $'000
Spare parts	**2,275**	1,515
Consumables	**4,749**	4,284
Food and beverages	**2,591**	2,514
	9,615	8,313
Cost of inventories sold	**23,348**	11,304

17. Financial assets, at FVPL

The Group	2022 $'000	2021 $'000
Beginning of financial year	**1,500**	3,000
Fair value gains (Note 27)	**–**	300
Disposal	**–**	(1,800)
End of financial year	**1,500**	1,500

The Group	2022 $'000	2021 $'000
Non-current		
Non-listed debt instruments – Convertible bond	**1,500**	1,500

In 2021, the issuer of the financial asset, at FVPL made an early partial redemption of the convertible bond with a carrying value of $1,500,000, for a consideration of $1,800,000. The Group also entered into an amendment deed to amend certain terms and conditions of the convertible bond, including extending the maturity date of the remaining convertible bonds for a further two years to 8 March 2024.

The instruments are mandatorily measured at fair value through profit or loss.

18. Trade and other receivables

	The Company		The Group	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Trade receivables:				
– non-related parties	**–**	–	**18,305**	13,350
– related company	**–**	–	**–**	128
– ultimate holding company	**–**	–	**–**	4
	–	–	**18,305**	13,482
Loss allowance	**–**	–	**(1,143)**	(1,088)
Net trade receivables	**–**	–	**17,162**	12,394
Other receivables:				
Deposits	**1**	1	**1,350**	875
Staff loans	**–**	–	**28**	917
GST/VAT recoverable	**–**	–	**4,327**	4,299
Prepayments	**28**	20	**4,197**	2,955
Government grant receivable [Note 27(a)]	**–**	–	**–**	38
Prepayments made to contractors	**–**	–	**1,459**	2,081
Accrued rental income (Note 13)	**–**	–	**188**	310
Others	**–**	–	**1,074**	994
Accrued management fee income from companies controlled by a director of the Company	**–**	–	**105**	–
	29	21	**12,728**	12,469
	29	21	**29,890**	24,863

Trade and other receivables are denominated in the following currencies:

	The Company		The Group	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Singapore Dollar	**29**	21	**10,878**	9,403
Tunisian Dinar	**–**	–	**6,759**	7,024
Mauritian Rupee	**–**	–	**967**	710
Euro	**–**	–	**1,638**	454
United States Dollar	**–**	–	**6,034**	3,545
Australian Dollar	**–**	–	**2,036**	1,147
Indonesian Rupiah	**–**	–	**590**	330
Others	**–**	–	**988**	2,250
	29	21	**29,890**	24,863

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

19. Advances to/from subsidiaries

(a) Advances to subsidiaries

The Company	2022 $'000	2021 $'000
Advances to subsidiaries	**24,035**	22,997
Allowance for impairment	**(19,140)**	(19,078)
	4,895	3,919

The advances to subsidiaries represent advances which are unsecured and interest-free. They have no repayment terms and are repayable on demand.

Advances to subsidiaries are denominated in the following currencies:

The Company	2022 $'000	2021 $'000
Singapore Dollar	**2,464**	1,517
Australian Dollar	**2,382**	2,392
Others	**49**	10
	4,895	3,919

(b) Advances from subsidiaries

The advances from subsidiaries represent advances which are unsecured and interest-free. They have no repayment terms and are repayable on demand.

Advances from subsidiaries are denominated in the following currencies:

The Company	2022 $'000	2021 $'000
Singapore Dollar	**274,022**	271,293
Others	**–**	108
	274,022	271,401

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

20. Cash and bank balances

	The Company		The Group	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Fixed deposits	**–**	–	**9,412**	12,003
Cash and bank balances	**1,172**	601	**22,488**	25,351
	1,172	601	**31,900**	37,354

For the purpose of presenting the consolidated statement of cash flows, cash and bank balances comprise the following:

The Group	**2022** **$'000**	**2021** **$'000**
Fixed deposits	**9,412**	12,003
Cash and bank balances	**22,488**	25,351
	31,900	37,354
Less: Bank overdrafts (Note 23)	**(1,194)**	(1,697)
	30,706	35,657

Cash and bank balances are denominated in the following currencies:

	The Company		The Group	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Singapore Dollar	**1,040**	326	**13,276**	26,191
Tunisian Dinar	**–**	–	**5,471**	2,584
Euro	**16**	37	**1,803**	1,814
United States Dollar	**85**	198	**5,132**	4,871
Australian Dollar	**11**	12	**1,033**	717
Morocco Dirham	**–**	–	**4,372**	430
Others	**20**	28	**813**	747
	1,172	601	**31,900**	37,354

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

21. Share capital

The Company and The Group	No. of ordinary shares	Amount $'000
2022 and 2021		
Beginning and end of financial year	401,516,968	254,139

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

22. Other reserves

The Group	2022 $'000	2021 $'000
Fair value reserve	**(9,801)**	(6,742)
Currency translation reserve	**(92,638)**	(72,748)
Revaluation surplus reserve	**15,485**	15,485
Premium paid on acquisition of non-controlling interests	**(37,650)**	(37,650)
	(124,604)	(101,655)
Represented by:		
Non-distributable	**(124,604)**	(101,655)

The movements in other reserves are as follows:

(a) Fair value reserve

The Group	2022 $'000	2021 $'000
Beginning of financial year	**(6,742)**	(5,048)
Financial assets, at FVOCI		
– Fair value loss (Note 11)	**(3,059)**	(1,694)
End of financial year	**(9,801)**	(6,742)

The fair value reserve arises from net fair value loss on revaluation of financial assets, at FVOCI held as at the end of reporting period.

22. Other reserves (Continued)

(b) Currency translation reserve

The Group	**2022 $'000**	2021 $'000
Beginning of financial year	**(72,748)**	(72,800)
Net currency translation (losses)/gains of financial statements of foreign subsidiaries	**(22,506)**	46
Non-controlling interests	**(10)**	6
	(22,516)	52
Exchange gains on borrowings designated as net investment hedge of foreign operations	**2,626**	–
End of financial year	**(92,638)**	(72,748)

(c) Revaluation surplus reserve

The Group	**2022 $'000**	2021 $'000
Beginning of financial year	**15,485**	11,921
Revaluation surplus on property, plant and equipment [Note 6(e)]	**–**	3,564
End of financial year	**15,485**	15,485

Revaluation surplus reserve arises from the revaluation of property, plant and equipment prior to its reclassification to investment properties in accordance with the requirements of SFRS(I) 1-40.

(d) Premium paid on acquisition of non-controlling interests

The Group	**2022 $'000**	2021 $'000
Beginning of financial year	**(37,650)**	(37,670)
Change in interest in subsidiary (Note 9)	**–**	20
End of financial year	**(37,650)**	(37,650)

Premium paid on acquisition of non-controlling interests relates to the changes in a parent's ownership in a subsidiary that do not result in the parent losing control of the subsidiary and are reflected as equity transactions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

23. Borrowings

	The Company		The Group	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Non-current				
Bank borrowings – unsecured	**–**	–	**752**	1,128
Bank borrowings – secured	**205,000**	–	**209,776**	42,670
	205,000	–	**210,528**	43,798
Current				
Bank overdrafts – unsecured	**–**	–	**1,194**	1,697
Bank borrowings – unsecured	**–**	–	**183**	110
Bank borrowings – secured	**65,260**	238,308	**133,070**	334,238
	65,260	238,308	**134,447**	336,045
Total borrowings	**270,260**	238,308	**344,975**	379,843

(a) Bank borrowings and bank overdrafts

(i) The exposure of the bank borrowings and bank overdrafts of the Company and of the Group to interest rate changes at the end of the reporting period are as follows:

	The Company		The Group	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Variable rate borrowings	**270,260**	238,308	**343,152**	377,746
Fixed rate borrowings – maturity dates:				
Less than 1 year	**–**	–	**6**	14
1 – 5 years	**–**	–	**1,817**	2,083
	270,260	238,308	**344,975**	379,843

(ii) The bank borrowings are repayable on monthly or quarterly or half yearly or on maturity basis between the earliest date in 2023 and the latest date in 2033 and are secured over certain investment property [Note 5(e)] and certain freehold and leasehold land and buildings and equipment of the Group [Note 6(d)].

23. Borrowings (Continued)

(b) Total borrowings are denominated in the following currencies:

	The Company		The Group	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Singapore Dollar	**205,000**	172,000	**205,000**	172,000
United States Dollar	**65,260**	66,308	**65,260**	66,308
Australian Dollar	**–**	–	**42,049**	95,505
Euro	**–**	–	**23,925**	35,843
Mauritian Rupee	**–**	–	**7,490**	8,360
Others	**–**	–	**1,251**	1,827
	270,260	238,308	**344,975**	379,843

(c) Carrying amounts and fair values

The fair values of current and non-current borrowings approximate their carrying values. The fair values are within Level 2 of the fair value hierarchy.

24. Long-term liabilities

The Group	**2022 $'000**	**2021 $'000**
Gratuity on retirement [Note 24(a)]	**794**	727
Long-term payables (retention sums)	**–**	201
Provision for dismantlement and restoration cost	**740**	740
Long-term end-of-service benefits	**353**	349
Rental deposits	**3,818**	3,141
Others	**1,126**	862
	6,831	6,020

(a) Gratuity on retirement

The Group	**2022 $'000**	**2021 $'000**
Present value of obligation at 1 January	**727**	846
Charged to profit or loss:		
– Current service cost	**102**	55
– Interest cost	**33**	18
	135	73
Contributions and direct benefits paid	**(161)**	(191)
Remeasurement of retirement benefits	**140**	–
Currency translation differences	**(47)**	(1)
Present value of obligation at 31 December	**794**	727

Gratuity on retirement is denominated in Mauritian Rupee and Indonesian Rupiah (2021: Mauritian Rupee).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

24. Long-term liabilities (Continued)

(a) Gratuity on retirement (Continued)

The significant actuarial assumptions are as follows:

(i) Financial assumptions

	2022	2021
Discount rate (per annum)	**6.2%-7.3%**	4.4%
Salary increase (per annum)	**8.0%-10.0%**	5.0%

(ii) A special set of assumptions which takes into account the probability of a retrenchment exercise occurring in the Group have been used. Under these assumptions, the probability of withdrawal is as follows:

	Probability of withdrawal	
	2022	2021
Age now (years)		
Up to 40	**3%-20%**	20%
Up to 45	**2%**	2%
45 – 60	**0%**	0%

(iii) The sensitivity of the gratuity on retirement to changes in the weighted principal assumptions is:

	Impact on Gratuity on Retirement		
	Change in assumption	Increase in assumption $'000	Decrease in assumption $'000
Discount rate	1%	(40)	193
Salary	1%	189	(39)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated. When calculating the sensitivity of the gratuity on retirement to significant actuarial assumptions, the same method (present value of the gratuity on retirement calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statements of financial position. The method and type of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

24. Long-term liabilities (Continued)

(b) Total long-term liabilities are denominated in the following currencies:

The Group	2022 $'000	2021 $'000
Singapore Dollar	**4,559**	3,881
Tunisian Dinar	**1,478**	1,211
Mauritian Rupee	**750**	727
United States Dollar	**–**	201
Indonesian Rupiah	**44**	–
	6,831	6,020

25. Lease liabilities

The Group	2022 $'000	2021 $'000
Lease liabilities		
– Current	**1,575**	1,355
– Non-current	**33,474**	33,684
	35,049	35,039

Lease liabilities are denominated in the following currencies:

The Group	2022 $'000	2021 $'000
Mauritian Rupee	**5,914**	5,987
Singapore Dollar	**3,825**	3,520
United States Dollar	**25,310**	25,532
	35,049	35,039

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

26. Trade and other payables

	The Company		The Group	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Trade payables	**–**	–	**19,117**	15,295
Rental deposits	**–**	–	**1,042**	1,260
Liabilities incurred for capital expenditure	**–**	–	**832**	1,758
Deferred income	**–**	–	**654**	390
Social security contributions	**–**	–	**585**	1,064
Employee benefits	**–**	–	**2,163**	1,640
GST/VAT payable	**–**	–	**2,900**	839
Other taxes payable	**–**	–	**863**	693
Retention sums payables	**–**	–	**199**	–
Contract liabilities	**–**	–	**7,804**	6,106
Accrued staff costs	**149**	150	**3,791**	1,955
Accrued operating expenses	**687**	437	**6,603**	6,384
Amount due to related company	**–**	–	**6**	–
	836	587	**46,559**	37,384

The carrying amounts have been assessed to be a reasonable approximation of their fair values due to their short-term nature.

Trade and other payables are denominated in the following currencies:

	The Company		The Group	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Singapore Dollar	**836**	587	**14,241**	11,429
Tunisian Dinar	**–**	–	**4,783**	4,396
Mauritian Rupee	**–**	–	**5,180**	3,768
Euro	**–**	–	**162**	354
United States Dollar	**–**	–	**17,697**	12,743
Australian Dollar	**–**	–	**1,361**	1,171
Tanzanian Shilling	**–**	–	**400**	979
Indonesian Rupiah	**–**	–	**1,887**	1,682
Moroccan Dirham	**–**	–	**848**	862
	836	587	**46,559**	37,384

Further details of liquidity risks on trade and other payables are disclosed in Note 39(e).

27. Other income and other gains

The Group	2022 $'000	2021 $'000
Interest income:		
Financial assets measured at amortised cost		
– Bank deposits	**304**	151
Financial assets measured at FVPL	**105**	206
	409	357
Other income:		
Management fee charged to related companies	**235**	255
Government grants on		
– special employment benefits	**973**	3,658
– wage subsidy schemes [Note 27(a)]	**182**	4,721
– property tax rebates and cash grants [Note 27(b)]	**–**	1,596
Fair value gains on financial assets at FVPL [Note 17]	**–**	300
Others	**1,063**	900
	2,453	11,430
Other gains:		
Fair value gain on investment properties	**9,672**	17,408
Gain on disposal of property, plant and equipment – net	**422**	29
Foreign exchange gain – net	**1,176**	2,886
	11,270	20,323
	14,132	32,110

(a) Government grant income of $182,000 (2021: $4,721,000) was recognised during the financial year in relation to various wage subsidy schemes in Singapore to help businesses deal with the impact from COVID-19 and adjustment to higher retirement age and re-employment age. Under the schemes, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

(b) Government grant income of $1,596,000 recognised in 2021 related to cash grants received from the Singapore Government for the Group's leasing and hotel operations in Singapore.

28. Employee benefit costs

The Group	2022 $'000	2021 $'000
Directors		
– Salaries and related costs		
– Directors of the Company	**1,206**	1,162
– Directors of subsidiaries	**825**	742
– Defined contributions	**49**	47
	2,080	1,951
Other than directors		
– Salaries and related costs	**59,622**	51,395
– Defined contributions	**5,810**	5,144
	65,432	56,539
Termination benefits	**60**	140
	67,572	58,630

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. Other operating expenses

The Group	2022 $'000	2021 $'000
Audit fee		
– Auditor of the Company	**309**	309
– Other auditors	**323**	307
Non-audit fee		
– Auditor of the Company	**60**	59
– Other auditors	**104**	116
Bank charges	**381**	293
Directors' fees		
– Directors of the Company	**189**	202
– Other directors of subsidiaries	**57**	87
Property, plant and equipment written off	**3**	348
Upkeep of office and hotel premises	**3,053**	1,138
Credit card commission	**2,953**	1,043
IT expenses	**698**	555
Distillate and service fee	**1,800**	1,897
Dumping fees	**8,711**	10,159
Entertainment	**923**	198
Equipment expenses	**2,280**	1,489
Insurance	**1,536**	1,566
Labour and sub-contractor charges	**1,474**	1,077
Professional fees	**1,642**	1,367
Licence fees	**1,145**	523
Marketing	**4,377**	1,900
Motor vehicle expenses	**88**	124
Operating supplies	**3,005**	1,745
Printing and stationery	**353**	170
Property tax	**3,629**	3,306
Government grant expense – rent concessions	**–**	16
Repair and maintenance	**10,140**	7,377
Telecommunication charges	**392**	338
Travelling and transportation expenses	**967**	778
Utilities	**9,714**	4,627
Others	**4,716**	4,400
	65,022	47,514

(a) Other expenses comprise mainly of compliance expenses and hotel related operating costs such as room amenities, laundry and training expenses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

30. Finance costs

The Group	2022 $'000	2021 $'000
Finance costs		
– Bank overdrafts	**127**	108
– Bank borrowings	**8,958**	3,990
– Lease liabilities	**2,009**	1,971
– Others	**–**	4
	11,094	6,073

31. Taxation

The Group	2022 $'000	2021 $'000
Current income tax	**4,786**	2,478
Deferred income tax (Note 15)	**520**	(4,846)
	5,306	(2,368)
Under/(over) provision in respect of previous years		
– current income tax	**(57)**	(547)
– deferred income tax (Note 15)	**575**	494
	518	(53)
	5,824	(2,421)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the respective domestic income tax rates is as follows:

The Group	2022 $'000	2021 $'000
Profit before taxation	**26,000**	9,690
Tax at domestic rate applicable to profits in the countries concerned(1)	**4,678**	1,353
Effects of:		
– Singapore statutory stepped income exemption	**(93)**	(62)
– Change in tax rates	**–**	(1,270)
– Income not subject to tax	**(987)**	(4,988)
– Non-deductible expenses	**963**	1,582
– Utilisation of previously unutilised tax benefits	**(1,101)**	(648)
– Deferred income tax assets on temporary differences not recognised	**1,880**	1,691
– Others	**(34)**	(26)
– Under/(over) provision in prior years	**518**	(53)
	5,824	(2,421)

(1) This is prepared by aggregating separate reconciliations for each national jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

32. Dividends

The Company and The Group	2022 $'000	2021 $'000
Ordinary dividends paid:		
Final dividend paid in respect of the previous financial year of 0.75 cents (2021: 0.30 cents) per share	**3,011**	1,205

At the forthcoming Annual General Meeting, a final tax-exempt (one-tier) dividend of 1.60 cents per share amounting to $6,424,000 will be proposed. These financial statements do not reflect these dividends, which will be accounted in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2023. The payment of these dividends will not have any tax consequences for the Group.

33. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue of 401,516,968 (2021: 401,516,968) shares during the financial year.

	2022	2021
Net profit attributable to equity holders of the Company ($'000)	**20,723**	12,250
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**401,517**	401,517
Basic earnings per share (cents per share)	**5.161**	3.051
Diluted earnings per share (cents per share)	**5.161**	3.051

The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the period, adjusted by the repurchase and cancellation of ordinary shares during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the ordinary shares are outstanding as a proportion of the total number of days in the year.

For the purpose of calculating diluted earnings per share, profit attributable to owners of the parent of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential shares. As there are no dilutive potential ordinary shares that were outstanding during the year, the basic earnings per share is therefore the same as the diluted earnings per share.

34. Commitments

Capital commitments

The Group	2022 $'000	2021 $'000
Capital expenditure contracted for purchase of property, plant and equipment	**8,238**	10,497

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

35. Contingent liabilities

The Company

The Company has issued corporate guarantees to a bank for borrowings of subsidiaries. These bank borrowings amount to $33,246,000 (2021: $35,883,000) at the end of the reporting period. As at 31 December 2022 and 31 December 2021, the fair values of the corporate guarantee determined based on the expected loss arising from the risk of default is insignificant. The Company had also given undertakings to provide financial support to certain subsidiaries.

The Group

One of the subsidiary, Hotel and Property Development (Kendwa) Limited, has four pending labour cases filed against it for unfair termination. Total claims amount to approximately $113,000 (Tanzanian Shilling 195 million). No provision in relation to the claims has been recognised in the financial statements as directors are of the view that the payment of amount is dependent on the outcome of the arbitration process.

36. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following are transactions with related parties:

(a) Sales and purchases of goods and services

	2022 $'000	2021 $'000
Cleaning service fee and waste disposal fee income from a company controlled by a director	**246**	234
Management fee income from:		
– Ultimate holding company	**13**	9
– Company controlled by a director	**222**	246
Sale of goods to a company controlled by a director	**4**	3
Rental income from a company controlled by a director	**23**	23
Rental expense paid to a company controlled by a director	**10**	10
Cleaning service fee to a director	**7**	7

Outstanding balances at 31 December 2022, arising from sale/purchase of goods and services, are unsecured and receivable/payable within 12 months from the reporting date and are disclosed in Notes 18, 19 and 26 respectively.

(b) Key management personnel compensation

Key management personnel compensation is as follows:

The Group	2022 $'000	2021 $'000
Wages and salaries	**2,031**	1,904
Employer's contribution to defined contribution plans, including Central Provident Fund	**49**	47
	2,080	1,951

37. Operating segments

For management purposes, the Group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group's reportable operating segments are as follows:

(a) Rental

Operations in this segment comprise the owning and letting of properties.

(b) Hotel

Activities in this segment include development and operation of hotels and a golf course.

(c) Industrial

This segment of activities covers waste collection and disposal and contract cleaning.

(d) Investment

These activities relate to securities trading and investment holding.

(e) Development

Activities in this segment include the development of properties.

(f) Others

Operations in this segment include mainly the provision of management services and the operation of restaurants. Unallocated net expenses incurred by the Group are included here.

Except as indicated above, there are no operating segments that have been aggregated to form the above reportable operating segments.

The Joint Managing Directors are the Group's chief operating decision-makers and monitor the operating results of the Group's operating segments for the purpose of making decisions about resource allocation and performance assessment. The Joint Managing Directors assess the performance of the operating segments based on a measure of earnings before interest, tax, depreciation and excluding the effects of fair value and other gains and losses ("Segment results") which are not operational in nature.

Group financing and income taxes are managed on a group basis and are not allocated to operating segments.

The amounts provided to the Joint Managing Directors with respect to total assets and total liabilities are measured in a manner consistent with that of these financial statements. All assets and all liabilities are allocated to reportable segments other than tax assets and liabilities.

37. Operating segments (Continued)

(a) Business segments

	Rental		Hotel		Industrial		Investment		Development		Others		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue														
External revenue	**19,624**	19,663	**150,172**	71,323	**39,012**	41,877	**28**	28	**–**	–	**188**	1,523	**209,024**	134,414
Inter-segment revenue	**13**	80	**753**	209	**696**	655	**79**	–	**–**	–	**39,267**	6,529	**40,808**	7,473
Total revenue	**19,637**	19,743	**150,925**	71,532	**39,708**	42,532	**107**	28	**–**	–	**39,455**	8,052	**249,832**	141,887
Results														
Segment results	**12,377**	12,978	**45,056**	17,204	**987**	3,568	**9**	317	**(7)**	(7)	**(1,329)**	(2,302)	**57,093**	31,758
Termination benefits	**–**	–	**(60)**	(140)	**–**	–	**–**	–	**–**	–	**–**	–	**(60)**	(140)
Re-development related costs	**(26)**	(379)	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(26)**	(379)
Net fair value gain on investment properties	**9,672**	17,408	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**9,672**	17,408
Depreciation of property, plant and equipment	**(85)**	(101)	**(25,886)**	(28,148)	**(3,864)**	(4,086)	**–**	–	**–**	–	**(159)**	180	**(29,994)**	(32,515)
Impairment loss on property, plant and equipment	**–**	–	**–**	–	**–**	(726)	**–**	–	**–**	–	**–**	–	**–**	(726)
Finance costs													**(11,094)**	(6,073)
Interest income													**409**	357
Profit before tax													**26,000**	9,690
Income tax (expense)/credit													**(5,824)**	2,421
Profit after tax													**20,176**	12,111

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

37. Operating segments (Continued)

(a) Business segments (Continued)

	Rental		Hotel		Industrial		Investment		Development		Others		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Segment assets	**598,038**	582,142	**661,650**	692,539	**25,446**	39,125	**4,176**	7,329	**–**	–	**2,176**	1,003	**1,291,486**	1,322,138
Unallocated assets														
– deferred tax assets													**4,615**	5,181
– current income tax recoverable													**2,857**	3,102
Consolidated total assets													**1,298,958**	1,330,421
Segment liabilities	**5,993**	5,314	**148,447**	206,088	**7,836**	7,927	**13**	10	**4**	4	**271,121**	238,943	**433,414**	458,286
Unallocated liabilities														
– deferred income tax liabilities													**14,122**	14,410
– current income tax liabilities													**5,616**	3,831
Consolidated total liabilities													**453,152**	476,527
OTHER SEGMENT INFORMATION														
Capital expenditure														
– property, plant and equipment	**21**	25	**15,243**	30,518	**1,688**	1,871	**–**	–	**–**	–	**1,088**	9	**18,040**	32,423
– investment properties	**245**	7	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**245**	7
Property, plant and equipment written off	**–**	57	**–**	154	**2**	100	**–**	–	**–**	–	**1**	37	**3**	348

37. Operating segments (Continued)

(b) Geographical segments

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	2022 $'000	2021 $'000
Revenue		
Singapore	**101,079**	82,945
Maldives	**42,062**	22,472
Africa	**45,585**	20,260
Australia	**13,901**	8,078
Others	**6,397**	659
	209,024	134,414
Non-current assets		
Singapore	**660,291**	**660,317**
Maldives	**240,942**	250,418
Africa	**153,973**	155,472
Australia	**104,129**	116,422
Others	**60,746**	67,628
	1,220,081	1,250,257

All segment revenue and expense are directly attributable to the segments. There is no revenue from transactions with a single external customer that amounts to 10 per cent or more of the Group's revenues.

38. Disclosure of directors' remuneration

The following number of directors in the remuneration bands is disclosed in compliance with the SGX-ST Listing Manual:

	2022	2021
Remuneration bands		
$500,000 and above	**1**	1
$250,000 to $499,999	**2**	2
Below $250,000	**3**	3
	6	6

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. Financial risk management

The Company and the Group's financial risk management policies set out the Company's and the Group's overall business strategies and its risk management philosophy. The Company and the Group are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk, price risk and liquidity risk. The Company's and the Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Company's and the Group's financial performance. The Company and the Group use financial instruments such as interest rate swaps to hedge certain risk exposures.

Risk management is carried out by the Finance Division under policies approved by the Board of Directors. The Finance Division identifies, evaluates and hedges financial risks in close co-operation with the Company's and the Group's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity.

There has been no change to the Company's and the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

(a) Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group has transactional currency exposures arising from bank borrowings and sales and purchases that are denominated in currencies other than the respective functional currencies of group entities, primarily Singapore Dollar ("SGD"). The foreign currencies in which these transactions are denominated are mainly the Tunisian Dinar ("TND"), Mauritian Rupee ("MUR"), Euro ("EUR"), Australian Dollar ("AUD") and United States Dollar ("USD"). Exposures to foreign currency risk are monitored on an ongoing basis.

The Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations in Maldives and Australia are managed primarily through borrowings denominated in USD and AUD designated as a net investment hedge in foreign operations. The Group establishes the hedge ratio of 1:1 by matching the net assets exposure to borrowings designated as hedging instrument.

There was no ineffectiveness during 2022 in relation to the net investment hedge.

39. Financial risk management (Continued)

(a) Foreign currency risk (Continued)

Sensitivity analysis for foreign currency risk

The Group does not have significant exposure to currency risk other than EUR, AUD and USD. If these currencies strengthened against the SGD by 5% (2021: 5%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

The Group	Increase/(Decrease) 2022 Profit net of tax $'000	Increase/(Decrease) 2021 Profit net of tax $'000
EUR	**(877)**	(1,408)
AUD	**116**	(2,527)
USD	**8**	(2,405)

The Company	Increase/(Decrease) 2022 Profit net of tax $'000	Increase/(Decrease) 2021 Profit net of tax $'000
AUD	**100**	100
USD	**4**	(2,743)

If the EUR, AUD and USD weakened against the SGD by 5% (2021: 5%) with all other variables including tax rate being held constant, it would have had the equal opposite effect on the amounts shown above, on the basis that all other variables remain constant.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's and the Group's financial instruments will fluctuate because of changes in market interest rates.

The Company's and the Group's exposure to interest rate risk arises primarily from its debt obligations with financial institutions and its investment portfolio in fixed deposits. The Company's and the Group's policy is to manage interest costs by using a mix of fixed and floating rate debts.

The Company and the Group do not have any significant exposure to cash flow interest rate risk except for interest rate exposures to bank borrowings and bank overdrafts. In 2022, the Group has renewed its SOR, USD LIBOR and EURO LIBOR floating rate debts borrowings based on inter-bank offered rates (IBOR) transition being the Singapore Overnight Rate Average ("SORA"), Secured Overnight Financing Rate ("SOFR") and Euro Interbank Offer Rate ("EURIBOR") respectively.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. Financial risk management (Continued)

(b) Interest rate risk (Continued)

Sensitivity analysis for interest rate risk

If SGD, TND, AUD, USD and EUR interest rates had been 50 (2021: 50) basis points lower/higher with all other variables held constant, the Group's profit net of tax would have been higher/lower arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings:

	Higher/(Lower)	
	2022	**2021**
	Profit after tax	**Profit after tax**
The Group	**$'000**	**$'000**
SGD	**851**	714
TND	**1**	2
AUD	**153**	373
USD	**271**	275
EUR	**99**	149

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's and the Company's major classes of financial assets subject to credit risk are trade and other receivables and cash and bank balances. For trade and other receivables, the Group adopts the policy of dealing only with customers and counterparties of appropriate credit history, and obtaining sufficient security such as deposits and bankers' guarantees where appropriate to mitigate credit risk. Bank deposits were mainly placed with financial institutions which have high credit ratings.

The Group has five main revenue streams – Rental, Hotel, Industrial, Investment, and Others. Credit exposure to individual customers or counterparties for the revenue streams mentioned above are generally restricted by credit limits that are approved by the respective management at the entity level based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and by Group management.

For trade receivables from leasing of property, the Group typically collects deposits or banker's guarantees amounting to three to five months of the monthly lease rental. All late payments are closely monitored and followed up with active pursuance or legal action, if necessary. The Group also regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

For trade receivables from hotel operations, management makes periodic collective assessments on the recoverability of trade receivables based on historical settlement records and experience of payment patterns. As the tourism sector is cyclical, management also makes concerted efforts to compare outstanding balances to revenue according to seasonal changes.

39. Financial risk management (Continued)

(c) Credit risk (continued)

For trade receivables from the Industrial segment, credit assessment of each debtor is performed by management based on an evaluation of the payment history and credit profile of the debtor. Where applicable, credit exposure to an individual counterparty will be restricted by approved credit limits. The counterparty's payment profile and credit exposure are continuously monitored at the Group level by respective management.

There are no trade receivables from the Investment segment.

Trade receivables from Other revenue sources are individually small in amount, and do not represent significant credit risk. The Group monitors the balances for any sign of credit deterioration, and ensures that there are follow-up actions to recover debts that are overdue.

As the Group and the Company do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position, except as follows:

	2022	**2021**
	$'000	**$'000**
Corporate guarantees provided to banks on subsidiaries' loans	**33,246**	35,883

The movements in credit loss allowance are as follows:

	Trade receivables[a]	
	2022	**2021**
The Group	**$'000**	**$'000**
At 1 January	**1,088**	1,045
Loss allowance recognised in profit or loss during the year on:		
– Reversal of unutilised amounts	**(25)**	–
– Assets acquired/originated	**151**	72
	126	72
Receivables written off as uncollectible	**(25)**	(39)
Exchange differences	**(46)**	10
At 31 December	**1,143**	1,088

(a) Loss allowance measured at lifetime ECL

	Advances to subsidiaries[b]	
	2022	**2021**
The Company	**$'000**	**$'000**
At 1 January	**19,078**	18,787
Loss allowance recognised in profit or loss during the year on:		
– Changes in credit risk	**62**	291
At 31 December	**19,140**	19,078

(b) Loss allowance measured at lifetime ECL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. Financial risk management (Continued)

(c) Credit risk (Continued)

Cash and bank balances, other receivables, contract assets and amounts owing by subsidiaries are subject to immaterial credit loss.

(i) Trade receivables

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers within the revenue streams, including Rental, Hotel, Industrial, Investment, and Others, and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusts the historical loss rates based on expected changes in these factors.

For the Group's Rental segment, management has considered, among other factors including forward-looking information, the Group's historical loss pattern and the existence of deposits and banker's guarantees. For the Group's Hotel segment, management has also considered the Group's historical loss pattern, as well as the relatively low value of transactions and the manner in which these are settled i.e. by cash and credit card.

Accordingly, management concluded that the expected credit loss rate for trade receivables from these revenue streams is close to zero, other than certain debtors who were adversely impacted by the COVID-19 outbreak and whose receivables were assessed individually taking into account forward-looking macroeconomic factors affecting the ability of the debtor to repay their debts. Management has reviewed the expected credit losses for these debtors and concluded that the credit loss allowances were appropriate.

There are no material receivables from the Investment and Others segments.

For the Group's Industrial segment, management has identified the gross domestic product (GDP) of the country in which it sells goods and services to be the most relevant factor in considering for adjustments to the historical loss rates, and accordingly adjusts the historical loss rates based on expected changes in the factor.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due. The Group considers a trade receivable as in default if the counterparty fails to make contractual payments within a commercially reasonable timeframe that is determined by the Group and write off the trade receivable when there is no reasonable expectation of recovery. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. Financial risk management (Continued)

(c) Credit risk (Continued)

(i) Trade receivables (Continued)

The Group's credit risk exposure in relation to trade receivables and the loss allowance made as at 31 December 2022 and 31 December 2021 are set out as follows:

The Group	Current $'000	Past due: Within 30 days $'000	Past due: 31 to 60 days $'000	Past due: 61 to 90 days $'000	Past due: More than 90 days $'000	Total $'000
At 31 December 2022						
Rental						
Trade receivables	**2**	**130**	**125**	**–**	**702**	**959**
Loss allowance	**–**	**–**	**–**	**–**	**254**	**254**
Hotel						
Trade receivables	**3,063**	**4,870**	**502**	**149**	**1,049**	**9,633**
Loss allowance	**–**	**–**	**–**	**–**	**864**	**864**
Industrial						
Trade receivables	**3,156**	**2,363**	**749**	**391**	**1,054**	**7,713**
Loss allowance	**–**	**1**	**–**	**1**	**23**	**25**
At 31 December 2021						
Rental						
Trade receivables	2	8	79	10	651	750
Loss allowance	–	–	–	–	220	220
Hotel						
Trade receivables	1,920	1,057	657	210	1,093	4,937
Loss allowance	–	–	–	–	828	828
Industrial						
Trade receivables	3,464	2,397	1,034	394	367	7,656
Loss allowance	1	1	1	1	36	40
Others						
Trade receivables	138	1	–	–	–	139

(ii) Cash and cash equivalents

The Group and the Company held cash and bank balances with banks which are considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. Financial risk management (Continued)

(c) Credit risk (Continued)

(iii) Other receivables, amounts owing by subsidiaries and advances to subsidiaries (non-trade)

For other receivables, the Group has assessed that they are of low credit risk as the debtors have low risk of default. For amounts owing by subsidiaries and advances to subsidiaries (non-trade), the Group considers the subsidiaries' underlying assets and operations, including future business plans and cashflow projections in assessing for impairment. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical payment experience and the corresponding historical credit loss rates, and adjusts for forward-looking macroeconomic factors.

These financial assets are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about events, including but not limited to significant financial difficulty of the borrower or a breach of contract, such as a default or past due event.

(iv) Financial guarantee contracts

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company does not expect significant credit losses arising from these guarantees as its subsidiaries have the financial capacity to meet their contractual cash flow obligations.

(d) Equity price risk

Equity price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices. It represents the potential loss the Group might suffer through holding investments in the face of price movements. It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular sector.

The Group is exposed to marketable securities price risk because of the investments held by the Group which are classified on the statement of financial position as financial assets, at FVOCI. These securities are listed on the Singapore Exchange Securities.

The Group is not exposed to commodity price risk. The Group has in place a set of internal controls to manage its market price risk arising from investments in marketable securities.

39. Financial risk management (Continued)

(d) Equity price risk (Continued)

Market price sensitivity

If the price for equity securities listed in Singapore had been 2% (2021: 2%) higher/lower with all other variables including tax rate held constant, the effects on profit after tax and other comprehensive income would have been:

	Increase/(Decrease)	
The Group	**Other comprehensive income $'000**	**Equity $'000**
31 December 2022		
Financial assets, at FVOCI		
– increased by	**43**	**43**
– decreased by	**(43)**	**(43)**
31 December 2021		
Financial assets, at FVOCI		
– increased by	93	93
– decreased by	(93)	(93)

(e) Liquidity risk

Liquidity risk is the risk that the Company or the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's and the Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Company and the Group manage their liquidity risk by ensuring the availability of funding through an adequate amount of credit facilities from financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

39. Financial risk management (Continued)

(e) Liquidity risk (Continued)

The table below analyses non-derivative financial liabilities of the Company and the Group into relevant maturity groupings based on the remaining period from the date of statements of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

The Group	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total $'000
At 31 December 2022					
Trade and other payables	**33,554**	**–**	**–**	**–**	**33,554**
Borrowings	**144,598**	**10,036**	**217,597**	**2,619**	**374,850**
Long-term liabilities					
– Long-term payables (retention sum)	**–**	**199**	**–**	**–**	**199**
– Rental deposits	**–**	**1,022**	**2,796**	**–**	**3,818**
Lease liabilities	**3,010**	**2,794**	**7,239**	**68,451**	**81,494**
	181,162	**14,051**	**227,632**	**71,070**	**493,915**
At 31 December 2021					
Trade and other payables	28,292	–	–	–	28,292
Borrowings	339,242	38,897	3,161	2,882	384,182
Long-term liabilities					
– Long-term payables (retention sum)	–	201	–	–	201
– Rental deposits	–	606	2,535	–	3,141
Lease liabilities	2,981	2,519	7,234	71,217	83,951
	370,515	42,223	12,930	74,099	499,767

39. Financial risk management (Continued)

(e) Liquidity risk (Continued)

The Company	Less than 1 year $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total $'000
At 31 December 2022					
Trade and other payables	**836**	**–**	**–**	**–**	**836**
Advances from subsidiaries	**274,022**	**–**	**–**	**–**	**274,022**
Borrowings	**74,081**	**8,821**	**214,100**	**–**	**297,002**
Financial guarantee contracts	**33,246**	**–**	**–**	**–**	**33,246**
	382,185	**8,821**	**214,100**	**–**	**605,106**
At 31 December 2021					
Trade and other payables	587	–	–	–	587
Advances from subsidiaries	271,401	–	–	–	271,401
Borrowings	240,217	–	–	–	240,217
Financial guarantee contracts	35,883	–	–	–	35,883
	548,088	–	–	–	548,088

The Company and the Group manage liquidity risk through management of cash flows from operating activities. As disclosed in Note 3.2(c), the Group successfully refinanced all expiring loans due in 2022 with renewed maturity dates in 2025 and 2026. In addition, the Group's secured borrowings of $342,846,000 are pledged on assets whose estimated market values are in excess of the total facility amounts. The Group may also further leverage on unencumbered hotel properties for new credit facilities to ensure that the Group has an adequate amount of credit facilities.

At the end of the reporting period, the undrawn credit facilities for group funding requirements amounted to $170,180,000 (2021: $69,662,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

40. Capital management

The Company's and the Group's objectives when managing capital are:

(i) To safeguard the Company's and the Group's ability to continue as a going concern;

(ii) To support the Company's and the Group's stability and growth;

(iii) To provide capital for the purpose of strengthening the Company's and the Group's risk management capability; and

(iv) To provide an adequate return to shareholders.

The Company and the Group actively and regularly review and manage its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Company and the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Company and the Group currently do not adopt any formal dividend policy.

The Company and the Group monitor capital on the basis of the carrying amount of equity plus borrowings as presented in the statements of financial position.

Total capital is calculated as equity plus total borrowings.

	The Company		The Group	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Total borrowings	**270,260**	238,308	**344,975**	379,843
Total equity	**372,068**	344,684	**845,806**	853,894
Total capital	**642,328**	582,992	**1,190,781**	1,233,737
Gearing ratio	**42.08%**	40.88%	**28.97%**	30.79%

Gearing has a significant influence on the Company's and the Group's capital structure and the Company and the Group monitors capital using a gearing ratio. The Company and the Group monitor gearing closely but had not set a definite ratio as it depends on the operational and investments requirement of the Company and the Group. The gearing ratio is calculated as total borrowings divided by total capital.

The Company and the Group is in compliance with all externally imposed covenant obligations, including maintaining capital ratios for the financial years ended 31 December 2022 and 2021.

In order to maintain or adjust the capital structure, the Company and the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, buy-back issued shares, obtain new borrowings or sell assets to reduce debt.

There were no changes in the Company's and the Group's approach to capital management during the year.

41. Financial instruments

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Company $'000	Group $'000
At 31 December 2022		
Financial assets, at FVPL	**–**	**1,500**
Financial assets, at FVOCI	**–**	**2,565**
Financial assets, at amortised cost	**607,692**	**51,620**
Financial liabilities, at amortised cost	**545,118**	**417,595**
At 31 December 2021		
Financial assets, at FVPL	–	1,500
Financial assets, at FVOCI	–	5,624
Financial assets, at amortised cost	546,352	54,090
Financial liabilities, at amortised cost	510,296	446,516

42. Fair value measurement

The table below presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) 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 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

(a) Fair value measurement of financial assets and liabilities

The Group	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 31 December 2022				
Assets				
Financial assets, at FVPL	**–**	**–**	**1,500**	**1,500**
Financial assets, at FVOCI	**2,565**	**–**	**–**	**2,565**
At 31 December 2021				
Assets				
Financial assets, at FVPL	–	–	1,500	1,500
Financial assets, at FVOCI	5,624	–	–	5,624

The fair value of financial instruments traded in active markets (such as financial assets, at FVOCI) is based on quoted market prices at the end of reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

NOTES TO THE
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

42. Fair value measurement (Continued)

(a) Fair value measurement of financial assets and liabilities (Continued)

There were no transfers between Level 1 and Level 2 during the year.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The fair value of financial assets and financial liabilities with a maturity of less than one year approximate their carrying amounts.

The following table presents the changes in Level 3 instruments:

	Unlisted debt instruments $'000
2022	
Beginning and end of financial year	**1,500**
2021	
Beginning of financial year	3,000
Fair value gains (Note 27)	300
Disposal	(1,800)
End of financial year	1,500

Valuation techniques and inputs used in Level 3 fair value measurements

Description	Valuation technique	Fair value at 31 December 2022 ($'000)	Unobservable inputs[a]	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Non-listed convertible bond	Binomial Option Pricing Model	1,500 (2021: 1,500)	Discount rate	3% (2021: 3%)	The lower the discount rate, the higher the fair value.

(a) There were no significant inter-relationship between unobservable inputs.

There were no transfers between Levels 2 and 3 during the year.

42. Fair value measurement (Continued)

(b) Fair value measurement of non-financial assets

The following table shows the levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at 31 December 2022 and 31 December 2021:

The Group	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 31 December 2022				
Investment properties				
Office	**–**	**–**	**221,040**	**221,040**
Retail	**–**	**–**	**373,513**	**373,513**
	–	**–**	**594,553**	**594,553**

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
At 31 December 2021				
Investment properties				
Office	–	–	214,166	214,166
Retail	–	–	376,714	376,714
	–	–	590,880	590,880

Level 3 fair value measurements

The reconciliation of the changes in non-financial assets classified within Level 3 was as follows:

The Group	Investment properties Office $'000	Investment properties Retail $'000
31 December 2022		
Beginning of financial year	**214,166**	**376,714**
Additions during the year	**4**	**2**
Commission expense capitalised	**–**	**239**
Amortisation of commission expense capitalised	**–**	**(22)**
Increase in fair value of investment properties	**7,838**	**1,834**
Currency translation differences	**(968)**	**(5,254)**
End of financial year	**221,040**	**373,513**
31 December 2021		
Beginning of financial year	199,678	360,277
Additions during the year	7	–
Transfer from property, plant and equipment	–	17,500
Government grants received for investment properties	(654)	–
Increase in fair value of investment properties	15,647	1,761
Currency translation differences	(512)	(2,824)
End of financial year	214,166	376,714

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

42. Fair value measurement (Continued)

(b) Fair value measurement of non-financial assets (Continued)

Level 3 fair value measurements (Continued)

There were no changes in valuation techniques during the year. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Valuation processes of the Group

Fair value of the Group's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Board of Directors and Audit Committee at each reporting date.

At each financial year end, the Group's finance department:

– verifies all major inputs to the independent valuation report;

– assesses property valuation movements when compared to prior year valuation report; and

– holds discussions with the independent valuer.

Changes in fair values are analysed at each reporting date during the Audit Committee meetings.

Valuation techniques used to derive Level 3 fair values

Level 3 fair values of the Group's investment properties have been generally derived using one or more of the following valuation approach:

(i) the Direct Comparison Method where properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with necessary adjustments made for differences in location, tenure, size, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions. The most significant input to the valuation approach would be the adjusted selling price per square metre.

(ii) the Income Method approach where the net rental income after property tax is capitalised at a rate which reflects the present and potential income growth and over the unexpired lease term. The most significant input to the valuation approach would be the estimated rental value per square metre, assumptions about vacancy rates and the capitalisation rate.

42. Fair value measurement (Continued)

(b) Fair value measurement of non-financial assets (Continued)

Valuation inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

Description	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Singapore				
Office	Income Method	Estimated rental value	$794 (2021: $794) per square metre	The higher the estimated rental value per square metre, the higher the fair value.
		Vacancy rate	1.5% (2021: 1.5%)	The lower the vacancy rate, the higher the fair value.
		Capitalisation rate	2.9% (2021: 3.0%)	The lower the capitalisation rate, the higher the fair value.
Retail	Income Method	Estimated rental value	$1,821 (2021: $1,821) per square metre	The higher the estimated rental value per square metre, the higher the fair value.
		Vacancy rate	1.5% (2021: 1.5%)	The lower the vacancy rate, the higher the fair value.
		Capitalisation rate	4.3% (2021: 4.3%)	The lower the capitalisation rate, the higher the fair value.
Retail	Direct Comparison Method	Adjusted selling price	$62,601 to $109,234 (2021: $59,217 to $103,330) per square metre	The higher the adjusted selling price per square metre, the higher the fair value.
Australia				
Office	Direct Comparison Method	Adjusted selling price	$6,197 to $6,345 (2021: $6,656 to $6,849) per square metre	The higher the adjusted selling price per square metre, the higher the fair value.
Retail	Direct Comparison Method	Adjusted selling price	$5,139 to $5,586 (2021: $5,546 to $6,849) per square metre	The higher the adjusted selling price per square metre, the higher the fair value.
Tunisia				
Retail	Direct Comparison Method	Adjusted selling price	$1,009 to $5,290 (2021: $1,001 to $5,210) per square metre	The higher the adjusted selling price per square metre, the higher the fair value.

43. Derivative financial instruments

Hedging instrument used in Group's hedging strategy in 2022

Group	Contractual notional amount $'000	Carrying amount: Assets/ (Liabilities) $'000	Carrying amount: Financial statement line item	Changes in fair value used for calculating hedge ineffectiveness: Hedged instrument $'000	Changes in fair value used for calculating hedge ineffectiveness: Hedged item $'000	Hedge ineffectiveness recognised in P&L* $'000	Weighted average hedged rate	Maturity date
Net investment hedge								
Foreign exchange risk								
– Borrowings to hedge net investments in foreign operations	N/A	(65,260)	Borrowings	2,626	(2,626)	–	USD $1: $1.33 AUD: $1: $0.89	USD: Sep 2025 – Apr 2026 AUD: Sep 2025 – Mar 2026

* All hedge ineffectiveness are recognised in profit and loss within "other gains/losses".

44. New accounting standards and interpretations

Below are the mandatory standards and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2023 and which the Group has not early adopted:

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

44. New accounting standards and interpretations (Continued)

Amendments to SFRS(I) 1-12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023)

The amendments to SFRS(I) 1-12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

– right-of-use assets and lease liabilities; and

– decommissioning, restoration and similar liabilities; and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

SFRS(1) 1-12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group does not expect any significant impact arising from applying these amendments.

45. Events occurring after end of reporting period

On 20 March 2023, the Company acquired additional 20.32% equity interest in its listed subsidiary in Singapore, Colex Holdings Limited ("Colex") from its non-controlling interests by way of a scheme of arrangement under Section 210 of the Companies Act 1967. The Company paid $0.23 per Colex share in cash aggregating to $6,192,727, pursuant to the terms of the proposed acquisition by the Company of all issued ordinary shares in the capital of Colex, other than the Colex shares held by the Company and its subsidiary, Coop International Pte Ltd. Consequently, Colex became 100% owned by the Group. On 22 March 2023, Colex was delisted from Singapore Exchange Securities Trading Limited ("SGX-ST").

DISTRIBUTION OF SHAREHOLDINGS

AS AT 28 MARCH 2023

Issued & Fully Paid-Up Capital : $254,138,501
Number & Class of Shares : 401,516,968 ordinary shares with equal voting rights

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1-99	34	1.14	952	0.00*
100-1,000	442	14.78	180,855	0.05
1,001-10,000	1,887	63.09	7,744,753	1.93
10,001-1,000,000	615	20.56	28,762,262	7.16
1,000,001 and above	13	0.43	364,828,146	90.86
Total:	**2,991**	**100.00**	**401,516,968**	**100.00**

* Less than 0.01 percent

TOP 20 SHAREHOLDERS AS AT 28 MARCH 2023

No.	Name	No. of Shares	% Shares
1	GOLDVEIN HOLDINGS PTE LTD	240,026,769	59.78
2	HENRY NGO	85,357,128	21.26
3	UNITED OVERSEAS BANK NOMINEES P L	9,846,780	2.45
4	MORPH INVESTMENTS LTD	8,365,700	2.08
5	ALLSLAND PTE LTD	5,398,800	1.34
6	DBS NOMINEES PTE LTD	3,600,348	0.9
7	NG POH CHENG	3,111,600	0.77
8	CITIBANK NOMS SPORE PTE LTD	2,759,020	0.69
9	LAI CHOY KUEN	1,610,500	0.4
10	TEO KAR TIN	1,376,100	0.34
11	NG SOO GIAP OR CHEW SOOI GUAT	1,324,800	0.33
12	ANG HAO YAO (HONG HAOYAO)	1,039,000	0.26
13	UOB KAY HIAN PTE LTD	1,011,601	0.25
14	OCBC NOMINEES SINGAPORE PTE LTD	824,800	0.21
15	YEAP LAM HONG	719,200	0.18
16	TAN KAH BOH ROBERT@ TAN KAH BOO	663,000	0.17
17	SOPHIA ANG BEE LENG	661,800	0.16
18	CHIAM HOCK POH	635,800	0.16
19	DBSN SERVICES PTE LTD	558,400	0.14
20	LEH BEE HOE	556,300	0.14
	Total:	**369,447,446**	**92.01**

Percentage of shareholdings held in the hands of the public is 15.47% and hence Rule 723 of the Listing Manual is complied with.

DISTRIBUTION OF SHAREHOLDINGS
AS AT 28 MARCH 2023

REGISTER OF SUBSTANTIAL SHAREHOLDERS
(As shown in the Register of Substantial Shareholders as at 28 March 2023)

	Direct Interest	Deemed Interest
Goldvein Holdings Pte. Ltd.		
– Ordinary Shares	240,026,769*	–
Henry Ngo		
– In Own Name	85,357,128	–
– United Overseas Bank Nominees (Private) Limited**	–	7,591,000
– Allsland Pte Ltd	–	5,948,800

* Mr Henry Ngo, Mr Djitu Sianandar and Mr Witu Sianandar are deemed to be interested in these shares by virtue of their shareholdings in Goldvein Holdings Pte. Ltd.

** Held in trust for Allsland Pte Ltd, a company wholly owned by Mr Henry Ngo.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-Fourth Annual General Meeting of the Company will be convened and held by electronic means (via live webcast) on Wednesday, 26 April 2023 at 2:00 p.m., to transact the following businesses:

As Ordinary Business

1. To receive and adopt the Audited Financial Statements for the year ended 31 December 2022 together with the Directors' Statement and the Auditor's Report thereon. (Resolution 1)

2. To declare a final one-tier tax exempt dividend of 1.60 cents per share in respect of the financial year ended 31 December 2022 (2021: 0.75 cents). (Resolution 2)

3. To re-elect Mr Chew Heng Ching, a Director retiring under Regulation 106(1) of the Constitution of the Company. (Resolution 3)
[See Explanatory Note 1]

4. To re-elect Mr Gary Xie Guojun, a Director retiring under Regulation 106(1) of the Constitution of the Company. (Resolution 4)
[See Explanatory Note 1]

5. To approve the payment of Directors' fees of S$205,000 for the financial year ended 31 December 2022 (2021: S$186,434). (Resolution 5)

6. To re-appoint PricewaterhouseCoopers LLP as Auditor and to authorise the Directors to fix their remuneration. (Resolution 6)

As Special Business

7. Authority to issue shares

   (a) that, pursuant to Section 161 of the Companies Act 1967, and the listing rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

      (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or

      (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares; and/or

      (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

NOTICE OF
ANNUAL GENERAL MEETING

(b) notwithstanding the authority conferred by the shareholders may have ceased to be in force, issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always, that subject to any applicable regulations as may be prescribed by the Singapore Exchange Securities Trading Limited,

(i) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50 per cent of the Company's total number of issued shares (excluding treasury shares and subsidiary holdings), 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 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company, and for the purpose of this resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for:

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

(b) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the Singapore Exchange Securities Trading Limited; and

(c) any subsequent bonus issue, consolidation or subdivision of the Company's shares,

provided further that adjustments in accordance with (a) or (b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution, and

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

(Resolution 7)
[See Explanatory Note 2]

8. Proposed Share Buy Back Mandate

That:–

(a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the "**Companies Act**"), the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares ("**Share Buy-Backs**") in the capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:–

(i) on-market Share Buy-Backs (each an "**On-market Share Buy-Back**") transacted on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or

NOTICE OF
ANNUAL GENERAL MEETING

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

and otherwise in accordance with the applicable provisions of the Companies Act and the Listing Manual, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-Back Mandate**");

(b) unless varied or revoked by the Company in 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 date of the passing of this Resolution and expiring on the earlier of:–

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

(ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Company in general meeting;

(c) in this Resolution:–

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

"**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;

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share, which shall not exceed:–

(i) in the case of an On-market Share Buy-Back, 5% above the average of the closing market prices of the Shares over the last 5 market days on the SGX-ST on which transactions in the Shares were recorded, immediately preceding the day of the On-market Share Buy-Back by the Company, and deemed to be adjusted for any corporate action that occurs during such 5-day period and on the day on which the On-market Share Buy-Back was made; and

NOTICE OF
ANNUAL GENERAL MEETING

(ii) in the case of an Off-market Share Buy-Back pursuant to an equal access scheme, 20% above the average of the closing market prices of the Share over the last 5 market days on the SGX-ST on which transactions in the Shares were recorded, immediately preceding the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price for each Share and the relevant terms of the equal access scheme for effecting the Off-market Share Buy-Back, and deemed to be adjusted for any corporate action that occurs during such 5-day period and on the day on which the Company announces its intention to make such offer; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary or expedient to give effect to the transactions contemplated by this Resolution. (Resolution 8)
[See Explanatory Note 3]

Any other business

9. To transact any other business that may normally be transacted at an Annual General Meeting.

By Order of the Board

Foo Soon Soo
Company Secretary

Singapore, 11 April 2023

NOTICE OF
ANNUAL GENERAL MEETING

Explanatory Notes:

Explanatory Notes:

1. Mr Chew Heng Ching will, upon being re-elected as Director, continue as Chairman of the Nominating Committee and member of the Audit and Remuneration Committees. He is considered independent for the purposes of Rule 704(8) of the Listing Manual.

   Mr Gary Xie Guojun will, upon being re-elected as Director, continue as Executive Director and Joint Managing Director of the Company.

   Detailed information on Mr Chew and Mr Gary Xie as set out in Appendix 7.4.1 of the listing manual are found on pages 48 to 49 of this Annual Report 2022.

2. The Ordinary Resolution in item 7 is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 50 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company of which the total number of shares and convertible securities, issued other than on a pro rata basis to existing shareholders shall not exceed 20 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. The total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company for this purpose shall be the total number of issued shares excluding treasury shares at the time this resolution is passed (after adjusting for new shares arising from the conversion of convertible securities or share options on issue at the time this resolution is passed and any subsequent bonus issue, consolidation or subdivision of the Company's shares). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

3. The Ordinary Resolution 8 relates to the proposed mandate authorising the Company to purchase its own shares. Please refer to the Appendix accompanying this Annual Report for more information.

Notes:

This Annual General Meeting ("**AGM**") is being convened and will be held by electronic means through a live webcast ("**Live AGM Webcast**") of the proceedings comprising both video (audio-visual) and audio-only feeds, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

Printed copies of this Notice of AGM will not be sent to shareholders. Instead, this Notice of AGM will be sent to members by electronic means via publication on the Company's website at bonvests.com.sg. This Notice will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements. Shareholders are to note the following instructions with regard to the Live AGM Webcast:

1. Registration to attend Live AGM Webcast

   (a) No physical attendance to the AGM is permitted.

NOTICE OF ANNUAL GENERAL MEETING

(b) All shareholders as well as investors who hold shares through relevant intermediaries (as defined in Section 181(1C) of the Companies Act) including Central Provident Fund ("**CPF**") and Supplementary Retirement Scheme ("**SRS**") and wish to follow the proceedings of the AGM through the Live AGM Webcast and vote live via electronic means on the resolutions to be tabled at the AGM must pre-register online at https://registration.ryt-poll.com/home/index/bonvest-agm ("**Pre-registration**") for verification purposes. The website will be open for Pre-registration from 11 April 2023, 2 p.m. and will close at 23 April 2023, 2 p.m. (the "**Registration Deadline**").

Investors who hold shares through Depository Agents ("DAs") and CPF/SRS investors may vote at the AGM if appointed as proxies by their respective DAs and CPF Agent Banks and SRS Operators.

For verification of pre-registrants, all investors who hold shares through DAs must inform their respective DAs that they have registered for the Live AGM Webcast and provide their DAs with their registration details so that the DAs can make the necessary arrangement to appoint them as proxies. The CPF Agent Banks and SRS Operators will provide the Company with the particulars of their CPF and SRS investors for the Company to verify any CPF and SRS investors who have pre-registered.

(c) Following the verification, authenticated shareholders will receive the login details to join the Live AGM Webcast or telephone number to call for the audio feeds by 25 April 2023, 2 p.m. via the e-mail address provided at Pre-registration.

(d) Shareholders must not forward the login details to join the Live AGM Webcast or telephone number to call for the audio feeds to other persons who is not a shareholder of the Company and/or who is not authorised to attend the Live AGM Webcast.

(e) Shareholders who register by the Registration Deadline but do not receive an email response by 25 April 2023, 2 p.m. may contact the Company via electronic mail to bonvests-agm@ryt-poll.com

2. Proxy Voting

(a) Shareholders who wish to appoint proxy(ies) to attend and vote on their behalf must complete and submit the proxy form in accordance with the instructions as set out in the proxy form.

(b) The duly completed and signed proxy form must be deposited not less than seventy-two (72) hours before the time scheduled for the AGM (i.e by 23 April 2023) via either the following means:

(i) post to the Company's registered office at 541 Orchard Road #16-00 Liat Towers, Singapore 238881

(ii) electronic mail to bonvests-agm@ryt-poll.com

(c) A shareholder who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

(d) In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

NOTICE OF
ANNUAL GENERAL MEETING

(e) Any incomplete or unsigned proxy forms will be treated as voided.

(f) A proxy need not be a member of the Company.

(g) Appointed proxy/proxies will be prompted via email after the Company's receipt of a validly completed and submitted Proxy Form to pre-register at https://registration.ryt-poll.com/home/index/bonvest-agm in order to access the Live AGM Webcast to participate and vote live at the AGM.

(h) For CPF and SRS investors who wish to appoint the Chairman of the AGM as their proxy should approach their respective CPF Agent Banks and SRS Operators to submit their votes at least 7 working days before the AGM (i.e. by 17 April 2023, 5.00 p.m.) to ensure that their votes are submitted. Other investors holding shares in the Company through relevant intermediaries who wish to appoint the Chairman as their proxy to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

3. Submission of Questions

All shareholders may submit questions relating to the agenda of the AGM

(a) in advance via electronic mail to investorrelations@bonvests.com.sg. by 18 April 2023, 2.00 p.m; or

(b) through the live chat function at the Live AGM Webcast

The Company will endeavour to address all substantial and relevant questions if received by the prescribed deadline in (a) above and post the answers on SGXNET and the Company's website by 2.00 p.m. 21 April 2023. For substantial and relevant questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the AGM. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

All documents (including the Annual Report 2022, proxy form, this Notice of AGM and appendices to this Notice of AGM) can be accessed at the Company's website at http://www.bonvests.com.sg/investors/annual-reports/ and will be published on SGXNet. Printed copies of the documents will not be despatched to the shareholders.

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the proxies for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE OF BOOK CLOSURE DATE

NOTICE IS HEREBY GIVEN that subject to the approval of the shareholders at the Fifty-Fourth Annual General Meeting:

FIRST AND FINAL DIVIDEND

A final one-tier tax exempt dividend of 1.60 Singapore cents per share in respect of the financial year ended 31 December 2022 will be paid on 26 May 2023 to shareholders whose names appear in the Register of Members on 12 May 2023 as at 5.00 p.m. Accordingly, the Transfer Books and the Register of Members of the Company will be closed on 12 May 2023 after 5.00 p.m., for the purpose of determining shareholders' entitlements to the proposed final dividend.

Registrable transfers received by the Company's Share Registrar, KCK CorpServe Pte. Ltd. at 1 Raffles Place, #04-63, One Raffles Place, Tower 2, Singapore 048616 up to 5.00 p.m. on 12 May 2023 will be registered before entitlements to the dividend are determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares of the Company on 12 May 2023 as at 5.00 p.m. will be entitled to such proposed dividend.

By Order of the Board

Foo Soon Soo
Company Secretary

Singapore, 11 April 2023

APPENDIX

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Appendix is circulated to Shareholders together with the Annual Report. Its purpose is to explain to the Shareholders the rationale and provide information to the Shareholders for the Proposed Renewal of the Share Buy-Back Mandate to be tabled at the AGM of the Company to be held by electronic means (via live webcast) on Wednesday, 26 April 2023 at 2.00 p.m.

The Notice of AGM and a proxy form are enclosed with the Annual Report.

If you are in any doubt about the contents of this Appendix or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Bonvests Holdings Limited, you should immediately forward this Appendix to the purchaser or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any statements made or reports contained or opinions expressed in this Appendix.

APPENDIX IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

DEFINITIONS

In this Appendix, the following definitions shall apply throughout unless the context otherwise requires:

"AGM"	:	Annual General Meeting of the Company
"Annual Report"	:	The annual report of the Company for the financial year ended 31 December 2022
"Audit Committee"	:	The Audit Committee of the Company for the time being
"Board of Directors"	:	The board of directors of the Company
"Companies Act"	:	The Companies Act 1967 of Singapore, as amended or modified from time to time
Company"	:	Bonvests Holdings Limited
"Constitution"	:	The Constitution of the Company
"CPF"	:	The Central Provident Fund
"Director"	:	A person holding the office of a director for the time being of the Company
"Group"	:	The Company and its Subsidiaries
"Latest Practicable Date"	:	28 March 2023, being the latest practicable date prior to the printing of this Appendix
"Listing Manual"	:	The Listing Manual of the SGX-ST, as the same may be amended or modified from time to time
"market day"	:	A day on which the SGX-ST is open for trading in securities
"Notice of AGM"	:	The Notice of AGM of the Company dated 11 April 2023, accompanying the Annual Report

APPENDIX

"Proposed Renewal of the Share Buy-Back Mandate"	:	The proposed renewal of the Share Buy-Back Mandate
"Securities Account"	:	The securities account maintained by a Depositor with the Depository but does not include a securities sub-account maintained with a Depository Agent
"Registrar"	:	The Registrar of Companies appointed under the Companies Act and includes any Deputy or Assistant Registrar of Companies
"SFA"	:	The Securities and Futures Act (Cap. 289) of Singapore as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Registered holders of Shares except that where the registered holder is the Depository, the term "**Shareholders**" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with the Depository are credited with the Shares
"Shares"	:	Issued and paid up ordinary shares in the capital of the Company
"Share Buy-Back Mandate"	:	The mandate to enable the Company to purchase or otherwise acquire its Shares
"Statutes"	:	The Companies Act, SFA and every other written law or regulations for the time being in force concerning companies and affecting the Company
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers
"%"	:	percentage or per centum
"$" and "cents"	:	Singapore dollars and cents respectively

The terms "Depositor", "Depository Agent", "Depositor" and "Depository Register" shall have the meanings ascribed to them respectively in the SFA.

The terms "treasury share", "subsidiary" and "substantial shareholder" shall have the meanings ascribed to them respectively in section 4, section 5 and section 81 of the Companies Act.

The term "subsidiary holdings" shall have the meaning ascribed to it in the Listing Manual.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders.

Words importing persons include corporations.

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any word defined under the Companies Act and used in this Appendix shall have the meaning assigned to it under the Companies Act.

Any reference to a time of day in this Appendix shall be a reference to Singapore time.

APPENDIX

BONVESTS HOLDINGS LIMITED
(Company Registration No. 196900282M)
(Incorporated in the Republic of Singapore)

Directors:	**Registered Office**
Henry Ngo *(Executive Chairman)*	541 Orchard Road
Chew Heng Ching *(Independent Director)*	#16-00 Liat Towers
Fong Heng Boo *(Independent Director)*	Singapore 238881
Teo Lip Hua, Benedict *(Independent Director)*	
Gary Xie Guojun *(Joint Managing Director and Executive Director)*	
Andy Xie Guoyuan *(Joint Managing Director and Executive Director)*	

11 April 2023

To: The Shareholders of Bonvests Holdings Limited

Dear Sir/Madam,

THE PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

1. INTRODUCTION

We refer to:

(a) the Notice of AGM of the Company dated 11 April 2023, accompanying the Annual Report, convening the 54th AGM of the Company to be held on 26 April 2023;

(b) Ordinary Resolution No.10 as proposed in the Notice of AGM, relating to the Proposed Renewal of the Share Buy-Back Mandate.

The purpose of this Appendix is to provide Shareholders with the relevant information relating to, and to seek Shareholders' approval for, the abovementioned Ordinary Resolution.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.

2. THE PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

2.1 Background

At the annual general meeting held on 26 April 2022 ("**2022 AGM**"), the Shareholders had approved the renewal of the Share Buy-Back Mandate to enable the Company to purchase or otherwise acquire its issued Shares.

The Share Buy-Back Mandate was expressed to take effect on the date of the passing of the Ordinary Resolution at the 2022 AGM and will expire on the date of the forthcoming 54th AGM to be held on 26 April 2023. Accordingly, Shareholders' approval is being sought for the Proposed Renewal of the Share Buy-Back Mandate at the 54th AGM.

APPENDIX

2.2 Shares Purchased in the previous twelve months

The Company did not purchase or acquire any Shares by way of On-Market Share Buy-Backs (as defined in paragraph 2.4.3 below) pursuant to the Share Buy-Back Mandate approved by Shareholders at the 2022 AGM in the last twelve months immediately preceding the Latest Practicable Date.

2.3 Rationale

The Share Buy-Back Mandate, when approved, will give the Directors the flexibility to purchase or otherwise acquire Shares of the Company during the period when the Share Buy-Back Mandate is in force, subject to paragraph 2.4 and 2.12. The rationale for the Company undertaking to purchase or acquire its Shares is to: –

(a) facilitate the return of surplus cash over and above its ordinary capital requirements and in excess of the financial and possible investment needs of the Group, if any, in an expedient and cost-efficient manner;

(b) allow Directors to exercise greater control over the Company's share capital structure, dividend payout and cash reserves, thereby enhancing the Company's competitive edge and Shareholders' value; and

(c) give the Company the opportunity to buy back Shares when such Shares are under-valued.

Shareholders should note that the buy-back of Shares will only be made when the Directors consider it to be in the best interests of the Company and in circumstances which they believe will not result in any material adverse effect on the financial position of the Company or the Group, or result in the Company being de-listed from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to adversely affect the orderly trading of the Shares or the listing status of the Company.

2.4 Authority and Limits on the Share Buy-Back Mandate

The authority and limitations placed on purchases or acquisitions of Shares under the proposed Share Buy-Back Mandate, if renewed at the forthcoming AGM, are the same as were previously approved by Shareholders at the 2022 AGM and are summarised below:

2.4.1 Maximum Number of Shares

The total number of Shares which may be purchased or acquired pursuant to the Share Buy-Back Mandate is limited to that number of Shares representing not more than 10% of the total number of Shares of the Company (excluding treasury shares and subsidiary holdings) as at the date of the AGM at which the renewal of the Share Buy-Back Mandate is approved. Any Shares which are held as treasury shares will be disregarded for the purposes of computing the 10% limit.

Based on 401,516,968 issued Shares as at the Latest Practicable Date (with no Shares held as treasury shares or subsidiary holdings as at that date), and assuming no further Shares are issued or repurchased, or held as treasury shares or subsidiary holdings, on or prior to the 54th AGM, the purchase by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 40,151,696 Shares. The Directors will use their best efforts to ensure that the Company does not carry out any Share Buy-Back that would adversely affect the orderly trading of the Shares or the listing status of the Company. (refer to paragraph 2.12)

APPENDIX

2.4.2 *Duration of Authority*

Share Buy-Backs may be made at any time and from time to time, on and from the date of the AGM at which the renewal of the Share Buy-Back Mandate is approved up to: –

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

(ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in general meeting,

whichever is the earliest.

The authority conferred on the Directors to purchase Shares pursuant to the Share Buy-Back may be renewed by the Shareholders at each annual general meeting or other general meeting of the Company.

2.4.3 *Manner of Share Buy-Backs*

Share Buy-Backs may be made by way of: –

(i) an on-market Share Buy-Back ("**Market Share Buy-Back**") transacted through the SGX-ST's trading system; and/or

(ii) an off-market Share Buy-Back ("**Off-Market Share Buy-Back**") effected in accordance with an equal access scheme.

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-Back Mandate, the Listing Manual, the Companies Act and the Constitution, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s).

2.4.4 *Off-Market Share Buy-Back*

An Off-Market Share Buy-Back on an "**equal access scheme**" must satisfy all of the following conditions: –

(i) the offers under the scheme must be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers are the same except that there shall be disregarded: –

(a) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

(b) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and

(c) differences in the offers introduced solely to ensure that each member is left with a whole number of Shares.

APPENDIX

If the Company wishes to make an Off-Market Share Buy-Back on an equal access scheme, the Company must issue an offer document to all Shareholders containing at least the following information: –

(i) terms and conditions of the offer;

(ii) period and procedures for acceptances;

(iii) reasons for the proposed share buy-back;

(iv) the consequences, if any, of share purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;

(v) whether the Share Buy-Back, if made, would have any effect on the listing of the Shares on the SGX-ST;

(vi) details of any Share Buy-Back made by the Company in the previous 12 months (whether Market Share Buy-Backs or Off-Market Share Buy-Backs), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

(vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.4.5 Maximum Purchase Price to be paid for the Shares

The purchase price (excluding brokerage, commission, applicable goods and services tax and other purchase-related expenses) to be paid for a Share shall be determined by the Directors. However, the purchase price for Shares shall not exceed: –

(i) in the case of a Market Share Buy-Back, 5% above the Average Closing Market Price (as defined below) of the Shares; and

(ii) in the case of an Off-Market Share Buy-Back pursuant to an equal access scheme, 20% above the Average Closing Market Price of the Shares.

For the above purposes: –

"**Average Closing Market Price**" means the average of the closing market prices of Shares over the last 5 Market Days on which transactions in the Shares were recorded, immediately preceding the day on which a Market Share Buy-Back was made, or as the case may be, the date of the making of the offer pursuant to an Off-Market Share Buy-Back on an equal access scheme, and deemed to be adjusted for any corporate action that occurs during the relevant 5-Market Day period and on the day on which a Market Share Buy-Back was made, or as the case may be, the date of the making of the offer pursuant to an Off-Market Share Buy-Back on an equal access scheme; and

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Share Buy-Back.

APPENDIX

The Listing Manual restricts a listed company from purchasing shares by way of Market Share Buy-Backs at a price per share which is more than 5% above the "average closing market price", being the average of the closing market prices of the shares over the last 5 Market Days on which transactions in the shares were recorded, before the day on which the purchases were made and deemed to be adjusted for any corporate action that occurs during the relevant 5 Market-Day period and on the day on which a Market Share Buy-Back was made.

Although the Listing Manual does not prescribe a maximum price in relation to purchases of Shares by way of off-market share buy-backs, the Company has set a cap of 20% above the average closing price of a Share as the maximum price for a Share to be purchased or acquired by way of Off-Market Share Buy-Backs.

2.5 Source of Funding of Share Buy-Backs

The Company may only apply funds for the purchase or acquisition of Shares as provided in its Constitution and in accordance with the applicable laws in Singapore. The Company may not buy back its Shares on the SGX-ST for a consideration other than in cash or, in the case of Market Share Buy-Back, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Company intends to use its internal funds and/or external borrowings to finance the purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate. In considering the use of external funding, the Company will take into consideration the availability of external financing and the resulting impact on the prevailing gearing ratio of the Company and the Group. The Company will not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse financial effect on the Company and the Group.

2.6 Status of Purchased Shares

The Shares purchased or acquired by the Company under any Share Buy-Back shall be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless held by the Company as treasury shares in accordance with Section 76H of the Companies Act. Under the Constitution, the Company has the discretion to hold the Shares purchased or acquired by the Company under any Share Buy-Back as treasury shares. At the time of each such Share Buy-Back by the Company, the Directors shall decide whether the Shares purchased will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company at that time.

Where Shares purchased or acquired by the Company under the Share Buy-Back are cancelled, such Shares will be automatically de-listed by the SGX-ST and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as is reasonably practicable following settlement of any such purchase or acquisition.

2.7 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company under the Share Buy-Back may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below: –

2.7.1 Maximum Holdings

The number of Shares held as treasury shares or subsidiary holdings cannot at any time exceed 10% of the total number of issued Shares.

APPENDIX

2.7.2 *Voting and Other Rights*

The Company cannot exercise any right in respect of the treasury shares, in particular, (a) the right to attend or vote at meetings; and (b) the right to receive dividend or any other distribution (in cash or otherwise) of its assets (including any distribution of assets to members on a winding up).

However, the Company may allot fully paid bonus shares in respect of the treasury shares and the treasury shares may be sub-divided or consolidated so long as the total value of the treasury shares after the subdivision or consolidation is the same as before the subdivision or consolidation, as the case may be. Any Shares allotted as fully paid bonus shares in respect of the treasury shares shall be treated for the purposes of the Companies Act as if they were purchased by the Company at the time they were allotted, in circumstances in which Section 76H of the Companies Act applied.

2.7.3 *Disposal and Cancellation*

When Shares purchased or acquired are held as treasury shares, the Company may at any time: –

(a) sell the treasury shares for cash;

(b) transfer the treasury shares for the purposes of or pursuant to any share scheme (whether for employees, directors or other persons);

(c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(d) cancel the treasury shares; or

(e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed.

2.8 Financial Effects of the Proposed Share Buy-Back

It is not possible for the Company to realistically calculate or quantify the financial effects of the purchases of Shares that may be made pursuant to the Share Buy-Back Mandate as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased, the purchase prices at the relevant time of purchase, how the purchase is funded, whether the purchase is made out of capital or profits, whether the Shares purchased or acquired are cancelled or held as treasury shares as well as how the Shares held in treasury are subsequently dealt with by the Company in accordance with Section 76K of the Companies Act.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. For this purpose, a company is "**insolvent**" if: –

(a) it is unable to pay its debts. The Companies Act further requires the company to be able to pay its debts in full as they fall due not only at the time of the purchase or acquisition but also during the period of 12 months immediately after the purchase or acquisition. If it is intended to commence winding up of the company within the period of 12 months immediately after the purchase or acquisition, the Companies Act requires the company to be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; and

APPENDIX

(b) the value of its assets is less than the value of its liabilities (including contingent liabilities), having regard to the most recent financial statements of the company and all other circumstances that the directors or managers of the company know or ought to know affect or may affect such values. The Companies Act further requires that the value of the company's assets will not be less than the value of its liabilities (including contingent liabilities) not only at the time of the purchase or acquisition but also after such purchase or acquisition.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of available profits, this will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced. Where the purchase or acquisition of Shares is paid out of the Company's profits or capital, the total amount of consideration paid by the Company shall include any expenses (including brokerage or commission) incurred directly in such purchase or acquisition of Shares.

2.8.1 *Illustrative Financial Effects*

For illustrative purposes only, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate on the audited financial statements of the Group for the financial year ended 31 December 2022 are based on the assumptions set out below:

(a) 401,516,968 Shares in issue as at the Latest Practicable Date (with no shares held as treasury shares or subsidiary holdings) and assuming no further Shares are issued and no Shares are held as treasury shares or subsidiary holdings on or prior to the AGM, not more than 40,151,696 Shares (representing 10% of the issued ordinary share capital of the Company as at that date) may be purchased by the Company pursuant to the proposed Share Buy-Back Mandate;

(b) in the case of Market Share Buy-Back and assuming that the Company purchases 40,151,696 Shares at the maximum price of S$0.967 for one Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 40,151,696 Shares is S$38,826,690;

(c) In the case of Off-Market Share Buy-Back and assuming that the Company purchases 40,151,696 Shares at the maximum price of S$1.160 for one Share (being the price equivalent to 20% above the average of the closing market prices of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 40,151,696 Shares is S$46,575,967;

(d) such purchase or acquisition of Shares is financed by external sources of funds; and

(e) the Share Buy-Back Mandate had been effective on 1 January 2023.

For illustrative purposes only, and based on the assumptions set out in (a) to (e) above, the financial effects of the purchase or acquisition of the 40,151,696 Shares by the Company on the audited financial accounts of the Group and the Company for the financial year ended 31 December 2022 pursuant to the Share Buy-Back Mandate, where: –

(1) the Shares are repurchased and held as treasury shares; and

(2) the Shares are repurchased and cancelled,

are set out below.

APPENDIX

Scenario 1(A)

Market Share Buy-Backs of up to maximum of 10% made and held as treasury shares.

As at 31 December 2022	**Group**		**Company**	
(S$'000)	**Before Share Buy-Back**	**After Share Buy-Back**	**Before Share Buy-Back**	**After Share Buy-Back**
Shareholders' Funds	842,237	801,483	372,069	331,315
Shares held in treasury	–	40,754	–	40,754
Net Assets	842,237	801,483	372,069	331,315
Current Assets	74,262	74,262	6,096	6,096
Current Liabilities	186,505	227,259	340,228	380,982
Total Borrowings	344,975	385,729	270,260	311,014
Profit attributable to equity holders of the Company	20,723	20,723	30,396	30,396
No. of issued and paid up shares	401,516,968	361,365,272	401,516,968	361,365,272
Weighted average number of Shares	401,516,968	370,825,672	401,516,968	370,825,672
Financial Ratios				
Net Assets per Share (S$)	2.10	2.22	0.93	0.92
Total Borrowings to Shareholders' Funds (times)	0.41	0.48	0.73	0.94
Earnings per Share (cents)	5.16	5.59	7.57	8.20

Notes:

(1) "Shareholders' Funds" mean the aggregate amount of issued share capital, other reserves and retained profits attributable to Shareholders of the Company.

(2) "Net Assets" as disclosed above excludes non-controlling interests.

(3) "Total Borrowings" mean the aggregate borrowings from banks and financial institutions.

(4) "Earnings per Share" is calculated based on the profit attributable to Shareholders divided by the weighted average number of issued and paid-up Shares.

(5) As the timing of the Share Buy-Back cannot be ascertained as at the date of this letter, the borrowing cost arising from such Share Buy-Back is therefore not included in the profit attributable to equity holders of the Company and the calculation of Earnings per Share after Share Buy-Back.

APPENDIX

Scenario 1(B)

Market Share Buy-Backs of up to maximum of 10% made and cancelled.

As at 31 December 2022	**Group**		**Company**	
(S$'000)	**Before Share Buy-Back**	**After Share Buy-Back**	**Before Share Buy-Back**	**After Share Buy-Back**
Shareholders' Funds	842,237	801,483	372,069	331,315
Shares held in treasury	–	–	–	–
Net Assets	842,237	801,483	372,069	331,315
Current Assets	74,262	74,262	6,096	6,096
Current Liabilities	186,505	227,259	340,228	380,982
Total Borrowings	344,975	385,729	270,260	311,014
Profit attributable to equity holders of the Company	20,723	20,723	30,396	30,396
No. of issued and paid up shares	401,516,968	361,365,272	401,516,968	361,365,272
Weighted average number of Shares	401,516,968	370,825,672	401,516,968	370,825,672
Financial Ratios				
Net Assets per Share (S$)	2.10	2.22	0.93	0.92
Total Borrowings to Shareholders' Funds (times)	0.41	0.48	0.73	0.94
Earnings per Share (cents)	5.16	5.59	7.57	8.20

Notes:

(1) "Shareholders' Funds" mean the aggregate amount of issued share capital, other reserves and retained profits attributable to Shareholders of the Company.

(2) "Net Assets" as disclosed above excludes non-controlling interests.

(3) "Total Borrowings" mean the aggregate borrowings from banks and financial institutions.

(4) "Earnings per Share" is calculated based on the profit attributable to Shareholders divided by the weighted average number of issued and paid-up Shares.

(5) As the timing of the Share Buy-Back cannot be ascertained as at the date of this letter, the borrowing cost arising from such Share Buy-Back is therefore not included in the profit attributable to equity holders of the Company and the calculation of Earnings per Share after Share Buy-Back.

APPENDIX

Scenario 2(A)

Off-Market Share Buy-Backs of up to maximum of 10% made and held as treasury shares.

As at 31 December 2022	**Group**		**Company**	
(S$'000)	**Before Share Buy-Back**	**After Share Buy-Back**	**Before Share Buy-Back**	**After Share Buy-Back**
Shareholders' Funds	842,237	795,661	372,069	325,493
Shares held in treasury	–	46,576	–	46,576
Net Assets	842,237	795,661	372,069	325,493
Current Assets	74,262	74,262	6,096	6,096
Current Liabilities	186,505	233,081	340,228	386,804
Total Borrowings	344,975	391,551	270,260	316,836
Profit attributable to equity holders of the Company	20,723	20,723	30,396	30 396
No. of issued and paid up shares	401,516,968	361,365,272	401,516,968	361,365,272
Weighted average number of Shares	401,516,968	370,825,672	401,516,968	370,825,672
Financial Ratios				
Net Assets per Share (S$)	2.10	2.20	0.93	0.90
Total Borrowings to Shareholders' Funds (times)	0.41	0.49	0.73	0.97
Earnings per Share (cents)	5.16	5.59	7.57	8.20

Notes:

(1) "Shareholders' Funds" mean the aggregate amount of issued share capital, other reserves and retained profits attributable to Shareholders of the Company.

(2) "Net Assets" as disclosed above excludes non-controlling interests.

(3) "Total Borrowings" mean the aggregate borrowings from banks and financial institutions.

(4) "Earnings per Share" is calculated based on the profit attributable to Shareholders divided by the weighted average number of issued and paid-up Shares.

(5) As the timing of the Share Buy-Back cannot be ascertained as at the date of this letter, the borrowing cost arising from such Share Buy-Back is therefore not included in the profit attributable to equity holders of the Company and the calculation of Earnings per Share after Share Buy-Back.

APPENDIX

Scenario 2(B)

Off-Market Share Buy-Backs of up to maximum of 10% made and cancelled.

As at 31 December 2022	**Group**		**Company**	
(S$'000)	**Before Share Buy-Back**	**After Share Buy-Back**	**Before Share Buy-Back**	**After Share Buy-Back**
Shareholders' Funds	842,237	795,661	372,069	325,493
Shares held in treasury	–	–	–	–
Net Assets	842,237	795,661	372,069	325,493
Current Assets	74,262	74,262	6,096	6,096
Current Liabilities	186,505	233,081	340,228	386,804
Total Borrowings	344,975	391,551	270,260	316,836
Profit attributable to equity holders of the Company	20,723	20,723	30,396	30,396
No. of issued and paid up shares	401,516,968	361,365,272	401,516,968	361,365,272
Weighted average number of Shares	401,516,968	370,825,672	401,516,968	370,825,672
Financial Ratios				
Net Assets per Share (S$)	2.10	2.20	0.93	0.90
Total Borrowings to Shareholders' Funds (times)	0.41	0.49	0.73	0.97
Earnings per Share (cents)	5.16	5.59	7.57	8.20

Notes:

(1) "Shareholders' Funds" mean the aggregate amount of issued share capital, other reserves and retained profits attributable to Shareholders of the Company.

(2) "Net Assets" as disclosed above excludes non-controlling interests.

(3) "Total Borrowings" mean the aggregate borrowings from banks and financial institutions.

(4) "Earnings per Share" is calculated based on the profit attributable to Shareholders divided by the weighted average number of issued and paid-up Shares.

(5) As the timing of the Share Buy-Back cannot be ascertained as at the date of this letter, the borrowing cost arising from such Share Buy-Back is therefore not included in the profit attributable to equity holders of the Company and the calculation of Earnings per Share after Share Buy-Back.

Shareholders should note that the financial effects illustrated above are purely for illustrative purposes and based only on the abovementioned assumptions. In particular, it is important to note that the above analyses are based on the latest audited accounts of the Company and the Group as at 31 December 2022, and is not necessarily representative of the future financial performance of the Group. Although the proposed Share Buy-Back Mandate would authorise the Company to buy back up to 10% of the Company's issued shares (excluding treasury shares and subsidiary holdings) as at the date that the Share Buy-Back Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10% of the entire total number of its Shares in full.

APPENDIX

2.9 Taxation

Shareholders who are in doubt as to their respective tax positions or any tax implications should consult their own professional tax advisors to take into account the tax law applicable, whether in or outside Singapore, to their particular situations.

2.10 Reporting Requirements

Within 30 days of the passing of a Shareholders' resolution to approve or renew the purchases of Shares by the Company, the Company shall lodge a copy of such resolution with the Registrar.

The Company shall lodge with the Registrar a notice of Share Buy-Back within 30 days. Such notification shall include details of the purchases including the date of the purchases, the total number of Shares purchased by the Company, the number of Shares cancelled and the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase of Shares, the amount of consideration paid by the Company for the purchases, whether the Shares were purchased out of the profits or the capital of the Company, and such other information as required by the Companies Act.

The Listing Manual specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares:

(a) in the case of a Market Share Buy-Back, not later than 9.00 a.m. on the Market Day following the day on which the Market Share Buy-Back was made; and

(b) in the case of an Off-Market Share Buy-Back under an equal access scheme, not later than 9.00 a.m. on the second Market Day after the close of acceptance of the offer for the Off-Market Share Buy-Back.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangement with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

The Company, upon undertaking any sale, transfer, cancellation and/or use of treasury shares, will comply with Rule 704(28) of the Listing Manual, which provides that an issuer must make an immediate announcement thereof, stating the following:

(a) date of the sale, transfer, cancellation and/or use;

(b) purpose of such sale, transfer, cancellation and/or use;

(c) number of treasury shares sold, transferred, cancelled and/or used;

(d) number of treasury shares before and after such sale, transfer, cancellation and/or use;

(e) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

(f) value of the treasury shares if they are used for a sale or transfer, or cancelled.

APPENDIX

2.11 Suspension of buy back of Shares

As the Company would be considered an "insider" in relation to any Share Buy-Back, the Company will not buy Shares after a market sensitive development has occurred or has been the subject of a decision until such time as the price sensitive or trade sensitive information has been publicly announced. In particular, the Company will not buy Shares during the period commencing 1 month before the announcement of the Company's annual and half-year results and ending on the date of announcement of the relevant results.

2.12 Listing status on SGX-ST

The Listing Manual provides that a listed company shall ensure that at least 10% of a class of its listed securities is at all times held by the public.

As at the Latest Practicable Date, approximately 15.47% of the total number of issued Shares (with no Shares held as treasury shares or subsidiary holdings) are held in the hands of the public. Assuming that the Share Buy-Back was carried out on the Latest Practicable Date, and the Company bought back a maximum number of 40,151,696 Shares, approximately 5.47% of the issued share capital of the Company (excluding treasury shares) will be held in the hands of the public.

Should the percentage of shares held by the public falls below 10% of the issued share capital of the Company (excluding Treasury Shares), which is below the minimum percentage of 10% of shares to be held by the public, the SGX-ST will suspend trading of the Shares.

The Directors will use their best efforts to ensure that the Company does not carry out any Share Buy-Back that would adversely affect the orderly trading of the Shares or the listing status of the Company.

2.13 Takeover Implications under the Take-over Code

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.13.1 Obligation to Make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code.

Under Rule 14 of the Take-over Code, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory take-over offer if, inter alia, he and persons acting in concert with him increase their voting rights in the Company to 30% or more or, if they, together holding between 30% and 50% of the Company's voting rights, increase their voting rights in the Company by more than 1% in any period of 6 months.

Consequently, depending on the number of Shares purchased or acquired by the Company and the number of Shares at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make a take-over offer under Rule 14 of the Take-over Code.

APPENDIX

2.13.2 *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons, inter alia, will be presumed to be acting in concert, namely:

(a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights;

(b) a company with any of its directors, together with their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts;

(c) a company with any of its pension funds and employee share schemes;

(d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

(e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;

(f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;

(g) partners; and

(h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors, and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase of Shares by the Company are set out in Appendix 2 of the Take-over Code.

APPENDIX

2.13.3 *Effect of Rule 14 and Appendix 2 of the Take-over Code*

In general terms, the effect of Appendix 2 of the Take-over Code is that:

(a) unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months;

(b) a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the renewal of the Share Buy-Back Mandate.

Based on Substantial Shareholders' notifications received by the Company as at the Latest Practicable Date which is set out in paragraph 3 of this Appendix, none of the Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of any proposed purchase by the Company of the maximum limit of 10% of its issued Shares.

Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Share Buy-Back Mandate are advised to consult their professional advisers and/or the Securities Industry Council before they acquire any Shares in the Company during the period when the Share Buy-Back Mandate is in force.

2.14 Limits on Shareholdings

The Company does not have any limits on the shareholding of any Shareholder.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial Shareholders, direct or indirect, in the Shares as recorded in the Register of Directors' Shareholding and the Register of Substantial Shareholders respectively as at the Latest Practicable Date are set out below:–

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%[1]	Number of Shares	%[1]	Number of Shares	%[1]
Directors						
Henry Ngo[2][3]	85,357,128	21.26	253,566,569	63.02	338,923,697	84.41
Chew Heng Ching	486,000	0.12	–	–	486,000	0.12
Substantial Shareholders						
Goldvein Holdings Pte. Ltd.	240,026,769[3]	59.78	–	–	240,026,769	59.78
Henry Ngo[2][3]	85,357,128	21.26	253,566,569	63.02	338,923,697	84.41

APPENDIX

Notice

(1) The percentage shareholding interest is based on the issued share capital of 401,516,968 Shares as at the Latest Practicable Date.

(2) Mr Henry Ngo is deemed to be interested in 240,026,769 Shares held by Goldvein Holdings Pte Ltd and 7,591,000 Shares held by United Overseas Bank Nominees (Private) Limited on behalf of Allsland Pte Ltd and 5,948,800 Shares held by Allsland Pte Ltd (which is wholly-owned by Mr Henry Ngo).

(3) Mr Henry Ngo, Mr Djitu Sianandar and Mr Witu Sianandar are deemed to be interested in these shares by virtue of their shareholdings in Goldvein Holdings Pte. Ltd.

4. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the proposed Renewal of Share Buy-Back Mandate are in the best interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution 10 relating to the proposed Renewal of Share Buy-Back Mandate at the AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Renewal of the Share Buy-Back Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

Yours faithfully,
For and on behalf of the Board of Directors

Henry Ngo
Executive Chairman

This page has been intentionally left blank

PROXY FORM
ANNUAL GENERAL MEETING

Bonvests Holdings Limited

Registration No.196900282M
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967, including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors who wish to appoint the Chairman as proxy to attend, speak and vote on their behalf should approach their respective CPF Agent Banks and SRS Operators to submit their voting instructions at least seven (7) working days before the AGM (i.e. by 17 April 2023 5.00 pm). Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

PERSONAL DATA PRIVACY

2. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 April 2023.

*I/We ______________________________ (Name)

of ______________________________ (Address)

being a *member/members of Bonvests Holdings Limited (the "**Company**") hereby appoint:–

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

*and/or (delete as appropriate)

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

\# Appointed proxy/proxies will be prompted via email after the Company's receipt of a validly completed and submitted Proxy Form to pre-register at https://registration.ryt-poll.com/home/index/bonvest-agm in order to access the Live AGM Webcast to participate and vote live at the AGM.

* my/our proxy to attend, speak and vote for *my/our behalf at the Annual General Meeting of the Company ("**AGM**") to be held by electronic means on **Wednesday, 26 April 2023 at 2:00 p.m.** and at any adjournment thereof in the following manner:

No.	Ordinary Resolutions	No of Votes or indicate with a tick (√) or cross (x)*		
		For	Against	Abstain
1	To receive and adopt the Audited Financial Statements together with the Directors' Statement and the Auditor's Report thereon.			
2	To declare a final one-tier tax exempt dividend.			
3	To re-elect Mr Chew Heng Ching as a Director.			
4	To re-elect Mr Gary Xie Guojun.			
5	To approve Directors' fees.			
6	To re-appoint PricewaterhouseCoopers LLP as Auditor.			
	Special Business			
7	To approve the proposed Share Issue Mandate.			
8	To approve the proposed Share Buy-Back Mandate.			

* If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick "√" or cross (x) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this __________ day of ____________________ 2023

Total number of Shares held	
CDP Register	
Register of Members	

____
Signature(s) of Member(s)/Common Seal
IMPORTANT: PLEASE READ NOTES FOR PROXY FORM

Notes

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If the number of shares is not inserted, this proxy form shall be deemed to relate to the entire number of ordinary shares in the Company registered in your name(s).

2. This proxy form must be deposited with the Company (i) via post to the Company at the registered office at 541 Orchard Road #16-00 Liat Towers, Singapore 238881 or (ii) by electronic mail to bonvests-agm@ryt-poll.com, and received by the Company not less than seventy-two (72) hours before the time for holding of the AGM.

3. Where the proxy form is submitted by electronic mail, it must be by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed proxy form by email.

4. Where the proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which the instrument may be treated as invalid.

5. The Company shall be entitled to reject the proxy form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument of proxy. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument of proxy if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

6. A Depositor shall not be regarded as a member of the Company entitled to attend the AGM electronically and to a proxy(ies) to vote thereat unless his name appears on the Depository Register 72 hours before the time set for the AGM.

BONVESTS HOLDINGS LIMITED

541 ORCHARD ROAD #16-00 LIAT TOWERS SINGAPORE 238881
TEL (65) 6732 5533 FAX (65) 6738 3092
EMAIL INVESTORRELATIONS@BONVESTS.COM.SG
COMPANY REGISTRATION NO. 196900282M