

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2022**

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This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement. The contact person for the Sponsor is Mr David Yeong (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1(i) Condensed Interim Consolidated Statement of Comprehensive Income For The Six Months Ended 31 December 2022 ("2H2022") and Financial Year Ended 31 December 2022 ("FY2022")

	Group			Group		
	2H2022 \$'000	2H2021 \$'000	Change %	FY2022 \$'000	FY2021 \$'000	Change %
Revenue	177,791	114,071	56%	319,008	225,703	41%
Material costs	(113,805)	(72,555)	57%	(208,785)	(143,881)	45%
Employee benefits expenses	(18,548)	(13,436)	38%	(31,706)	(25,435)	25%
Depreciation and amortisation	(10,852)	(7,332)	48%	(18,265)	(14,509)	26%
Finance costs	(10,955)	(5,201)	111%	(17,402)	(10,162)	71%
Other operating expenses	(18,830)	(10,579)	78%	(28,688)	(19,986)	44%
Interest income	640	5	n.m.	644	28	n.m.
Dividend income from equity instruments	100	101	-1%	198	298	-34%
Rental income	909	713	27%	1,659	1,329	25%
Other income	3,825	1,935	98%	5,080	4,141	23%
Share of results of joint venture	14	78	-82%	61	57	8%
Profit before tax	10,289	7,800	32%	21,804	17,583	24%
Income tax expense	(3,520)	(1,317)	167%	(5,727)	(3,042)	88%
Profit for the period	6,769	6,483	4%	16,077	14,541	11%
Other comprehensive income						
<i>Items that will not be reclassified to profit or loss (net of tax):</i>						
Net fair value changes on equity instruments at fair value through other comprehensive income	(739)	-	n.m.	(1,113)	28	n.m.
<i>Items that may be reclassified subsequently to profit or loss (net of tax):</i>						
Net fair value changes on debt instruments at fair value through other comprehensive income	-	(3)	n.m.	-	4	n.m.
Net loss on cash flow hedge	(70)	-	n.m.	(70)	-	n.m.
Foreign currency translation	336	70	380%	420	103	308%
Other comprehensive income for the period, net of tax	(473)	67	n.m.	(763)	135	n.m.
Total comprehensive income for the period	6,296	6,550	-4%	15,314	14,676	4%
Profit for the year attributable to:						
Owners of the Company	6,734	6,439	5%	15,984	14,446	11%
Non-controlling interests	35	44	-20%	93	95	-2%
	6,769	6,483	4%	16,077	14,541	11%
Total comprehensive income attributable to:						
Owners of the Company	6,261	6,506	-4%	15,221	14,581	4%
Non-controlling interests	35	44	-20%	93	95	-2%
	6,296	6,550	-4%	15,314	14,676	4%
Earnings per ordinary share (cents)						
-Basic and diluted	0.55	0.62	-11%	1.39	1.39	0%

Other information :-

	Group			Group		
	2H2022 \$'000	2H2021 \$'000	Change %	FY2022 \$'000	FY2021 \$'000	Change %
Amortisation of prepaid rent	2	1	100%	3	3	0%
Depreciation of property, plant and equipment	2,591	1,777	46%	4,295	3,478	23%
Depreciation of right-of-use assets	8,204	5,554	48%	13,912	11,028	26%
Amortisation of intangible assets	55	-	n.m.	55	-	n.m.
Fair value gain on investment properties	(800)	(40)	n.m.	(800)	(40)	n.m.
Foreign currency exchange gain, net	(930)	(1)	n.m.	(931)	(2)	n.m.
Gain on disposal of investment property	(876)	-	n.m.	(876)	-	n.m.
Loss on disposal/write-off of property, plant and equipment	230	(12)	n.m.	278	134	107%
Impairment loss on property, plant and equipment	526	-	n.m.	526	-	n.m.
Impairment loss on right-of-use assets	189	-	n.m.	189	-	n.m.

n.m. - not meaningful

NOTES:

- 1a - Depreciation of fixed assets in pawnshops and retail outlets is computed on a straight-line basis over 3 to 5 years.
- 1b - The Group recognises all inventory, including trade-in stock and sales return stock, at the lower of cost and net realisable value.
- 1c - The increase in material costs in FY2022 and 2H2022 were generally in line with the higher revenue arising from newly acquired jewellery business.
- 1d - Higher employee benefits expenses for FY2022 and 2H2022 were mainly due to increase in headcount locally as well as that arising from newly acquired jewellery business.
- 1e - Higher depreciation and amortisation charges in FY2022 and 2H2022 were mainly due to additional recognition of right-of-use assets.
- 1f - Higher finance costs for FY2022 and 2H2022 were mainly due to higher borrowings and increase in interest rates.
- 1g - Higher other operating expenses for FY2022 and 2H2022 were mainly due to higher marketing expenditures, impairment loss on right-of-use assets, impairment loss on property, plant and equipment and higher professional expenses related to acquisition of subsidiaries and expenses arising from newly acquired jewellery business.
- 1h - Higher interest income for FY2022 and 2H2022 were mainly due to return on short term investments.
- 1i - Higher rental income for FY2022 and 2H2022 was mainly due to additional rental arising from newly acquired jewellery business.
- 1j - Higher other income for FY2022 and 2H2022 were mainly due to fair value gain on investment properties, gain on disposal of investment property, higher foreign exchange gain and partially offset by lower rental rebates from landlords and cash grant under the job support scheme from the Government in relation to COVID-19 as compared to FY2021.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31-Dec-22 \$'000	31-Dec-21 \$'000	31-Dec-22 \$'000	31-Dec-21 \$'000
NON-CURRENT ASSETS				
Property, plant and equipment	129,217	81,078	22	33
Investment in properties	11,650	16,850	-	-
Right-of-use assets	82,098	33,314	-	-
Intangible assets	6,652	-	-	-
Trade and other receivables	3,953	2,086	-	-
Investment in subsidiaries	-	-	160,996	54,242
Investment in joint venture	-	1,466	2,000	2,000
Investment securities	1,841	2,957	-	-
Prepaid rent	-	1	-	-
Deferred tax assets	1,378	2,853	79	-
	236,789	140,605	163,097	56,275
CURRENT ASSETS				
Inventories	171,298	90,927	-	-
Trade and other receivables	384,251	329,488	71	11
Prepaid rent	1	3	-	-
Prepayments	2,473	967	31	157
Due from subsidiaries (non-trade)	-	-	112,867	135,604
Due from a related company (non-trade)	93	-	22	-
Due from immediate holding company (non-trade)	10	-	-	-
Derivative financial instruments	754	219	-	-
Cash and bank balances	30,813	19,735	2,577	4,712
	589,693	441,339	115,568	140,484
TOTAL ASSETS	826,482	581,944	278,665	196,759
CURRENT LIABILITIES				
Trade and other payables	48,845	12,192	2,444	2,448
Due to immediate holding company (non-trade)	13,502	6	13,500	6
Due to a related company (non-trade)	3,285	3	-	3
Derivative financial instruments	902	-	-	-
Provision for taxation	5,957	2,944	72	376
Interest-bearing loans	348,050	252,296	-	-
Lease liabilities	21,101	10,304	-	-
Term notes	-	45,250	-	45,250
	441,642	322,995	16,016	48,083
Net current assets	148,051	118,344	99,552	92,401
NON-CURRENT LIABILITIES				
Other payables	80	111	-	-
Interest-bearing loans	100,199	84,001	-	-
Term notes	59,527	-	59,527	-
Deferred tax liabilities	1,347	175	-	4
Lease liabilities	63,323	24,106	-	-
	224,476	108,393	59,527	4
TOTAL LIABILITIES	666,118	431,388	75,543	48,087
Net assets	160,364	150,556	203,122	148,672
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital	192,206	142,341	192,206	142,341
Treasury shares	(19)	(59)	(19)	(59)
Other reserves	(48,713)	(5,928)	5,861	(23)
Revenue reserves	15,719	13,072	5,074	6,413
	159,193	149,426	203,122	148,672
Non-controlling interests	1,171	1,130	-	-
Total equity	160,364	150,556	203,122	148,672
Total equity and liabilities	826,482	581,944	278,665	196,759
Net asset value per ordinary share (cents)	11.63	14.01	14.73	13.93

B1. - Review of Financial Position

The equity attributable to owners of the Company was \$159.2 million as at 31 December 2022 as compared to \$149.4 million as at 31 December 2021. The increase was mainly due to increase in share capital, other reserves and profit for the year, partially offset by dividend paid in FY2022 in respect of profit for FY2021 and FY2022 and increase in merger reverse arising from change in ownership interests in subsidiaries without a change in control.

The Group's total assets of \$826.5 million as at 31 December 2022 was \$244.6 million higher than that as at 31 December 2021 mainly due to an increase in trade and other receivables contributed by increase in pledge book from the Group's pawnbroking business, inventories, right-of-use assets, prepayment, cash and cash equivalent, property, plant and equipment partially offset by a decrease in investment securities, investment in properties and deferred tax assets.

The Group's total liabilities of \$666.1 million as at 31 December 2022 was \$234.7 million higher than that as at 31 December 2021. This was mainly due to an increase in interest-bearing loans, leases liabilities, due to immediate holding company (non-trade), trade and other payables and additional term notes issued in 1H2022.

The increase in inventories, right-of-use assets, property, plant and equipment, trade and other payables was mainly due to the newly acquired jewellery business as announced on 7 July 2022 and said acquisition was completed on 30 September 2022.

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	FY2022 \$'000	FY2021 \$'000
OPERATING ACTIVITIES		
Profit before tax	21,804	17,583
Adjustments for:		
Depreciation of property, plant and equipment	4,295	3,478
Fair value gain on investment properties	(800)	(40)
Impairment loss on property, plant and equipment	526	-
Write-back of inventories	(269)	(14)
Interest expense	17,039	9,910
Interest income	(2,766)	(2,110)
Dividend income from equity instruments	(198)	(298)
Amortisation of intangible assets	55	-
Amortisation of term notes issuance fee	363	252
Allowance for expected credit losses on interest receivables	4,033	3,852
Financial losses on pledged items not fully covered by insurance	10	108
Gain on disposal of investment property	(876)	-
Loss on disposal/write-off of property, plant and equipment	278	134
Gain on disposal of investment securities	-	(7)
Net fair value change on derivatives	296	(243)
Amortisation of prepaid rent	3	3
Impairment loss on right-of-use assets	189	-
Unrealised foreign exchange differences	95	348
Share of results of joint venture	(61)	(57)
Depreciation of right-of-use assets	13,912	11,028
Gain on termination of right-of-use assets	(243)	-
Operating cash flows before changes in working capital	57,685	43,927
<i>Changes in working capital</i>		
Increase in inventories	(18,498)	(16,257)
Increase in trade and other receivables	(58,722)	(36,684)
(Increase)/decrease in prepayments	(976)	550
Increase/(decrease) in trade and other payables	20,500	(608)
Total changes in working capital	(57,696)	(52,999)
Cash flows used in operations	(11)	(9,072)
Interest paid	(15,564)	(8,908)
Interest received	644	8
Income taxes paid	(2,652)	(4,132)
Net cash flows used in operating activities	(17,583)	(22,104)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,431)	(25,255)
Interest received	3,678	462
Dividend received	198	298
Acquisition of subsidiaries	(27,854)	-
Purchase of investment securities	(225)	(500)
Proceeds from disposal of investment property	6,876	-
Proceeds from disposal of plant and equipment	-	15
Increase in intangible assets	(3,309)	-
Decrease in amount due from a related company (non-trade)	828	-
Decrease in amount due from a joint venture (non-trade)	-	263
Proceeds from disposal of investment securities	-	750
Net cash flows used in investing activities	(22,239)	(23,967)
FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	-	5,184
Share issuance expenses	-	(129)
Repayment of term notes	(22,000)	-
Proceeds from issuance of term notes	36,750	-
Proceeds from short-term bank borrowings, net	54,082	47,520
Proceeds from term loans	6,144	29,039
Repayment of term loans	(18,351)	(5,770)
Purchase of treasury shares	(145)	(209)
Proceeds from immediate holding company (non-trade), net	21,756	6
Term notes issuance fee paid	(473)	-
Proceeds from/(repayment of advances to) related companies (non-trade), net	1,655	(81)
Dividends paid on ordinary shares	(13,337)	(21,737)
Interest paid on leases liabilities	(1,475)	(1,002)
Payment of principal portion of lease liabilities	(13,761)	(10,803)
Acquisition of non-controlling interests in subsidiaries	(52)	-
Net cash flows from financing activities	50,793	42,018
Net increase/(decrease) in cash and cash equivalents	10,971	(4,053)
Effect of exchange rate changes on cash and cash equivalents	107	(28)
Cash and cash equivalents at the beginning of the financial year	19,735	23,816
Cash and cash equivalents at the end of the financial year	30,813	19,735

Cash and cash equivalents

Cash and cash equivalents included in the consolidated cash flow statements comprise cash at banks and on hand.

C. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**C1. - Cashflow Analysis****FY2022**

Net cash used in operating activities for FY2022 was \$17.6 million. This was due to increase in trade and other receivables, inventories and, prepayments partially offset by increase in trade and other payables.

Net cash used in investing activities was \$22.2 million in FY2022. The net cash used in investing activities was mainly for the acquisition of subsidiaries, purchase of property, plant and equipment, purchase of investment securities and increase in intangible assets partially offset by proceeds from disposal of investment property, interest received, dividend received and decrease in amount due from related company.

Net cash flows from financing activities was \$50.8 million in FY2022. The net cash flows from financing activities was mainly due to proceeds from issuance of term notes, proceeds from short-term borrowings, proceeds from immediate holding company (non-trade) partially offset by the repayment of term notes, repayment of term loans, dividends paid on ordinary shares and repayment of principal and interest portion of lease liabilities.

D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company				Non-controlling interests \$'000	Total \$'000
	Share capital \$'000	Treasury shares \$'000	Other reserves \$'000	Revenue reserves \$'000		
Group						
Balance as at 1 January 2022	142,341	(59)	(5,928)	13,072	1,130	150,556
Profit for the period	-	-	-	15,984	93	16,077
Foreign currency translation	-	-	420	-	-	420
Net fair value changes in debt instruments at fair value through other comprehensive income ("FVOCI")	-	-	(1,113)	-	-	(1,113)
Net loss on cash flow hedge	-	-	(70)	-	-	(70)
Dividends on ordinary shares - Cash	-	-	-	(13,337)	-	(13,337)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	185	(5)	-	-	180
Purchase of treasury shares	-	(145)	-	-	-	(145)
Acquisition of subsidiaries on 30 September 2022	49,865	-	(42,006)	-	-	7,859
Change in ownership interests in subsidiaries without a change in control	-	-	(11)	-	(52)	(63)
Balance as at 31 December 2022	192,206	(19)	(48,713)	15,719	1,171	160,364
Balance as at 1 January 2021	137,286	(9)	(6,066)	20,363	1,035	152,609
Profit for the period	-	-	-	14,446	95	14,541
Foreign currency translation	-	-	103	-	-	103
Net fair value changes in debt instruments at FVOCI	-	-	4	-	-	4
Net fair value changes in equity instruments at FVOCI	-	-	28	-	-	28
Dividends on ordinary shares - Cash	-	-	-	(21,737)	-	(21,737)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	159	3	-	-	162
Purchase of treasury shares	-	(209)	-	-	-	(209)
Issuance of ordinary shares	5,184	-	-	-	-	5,184
Share issuance expenses	(129)	-	-	-	-	(129)
Balance as at 31 December 2021	142,341	(59)	(5,928)	13,072	1,130	150,556
Company						
Balance as at 1 January 2022	142,341	(59)	(23)	6,413	-	148,672
Profit for the period	-	-	-	11,998	-	11,998
Purchase of treasury shares	-	(145)	-	-	-	(145)
Dividends on ordinary shares - Cash	-	-	-	(13,337)	-	(13,337)
Acquisition of subsidiaries on 30 September 2022	49,865	-	5,889	-	-	55,754
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	185	(5)	-	-	179
Balance as at 31 December 2022	192,206	(19)	5,861	5,074	-	203,122
Balance as at 1 January 2021	137,286	(9)	(26)	13,803	-	151,054
Profit for the period	-	-	-	14,347	-	14,347
Purchase of treasury shares	-	(209)	-	-	-	(209)
Dividends on ordinary shares - Cash	-	-	-	(21,737)	-	(21,737)
Issuance of ordinary shares	5,184	-	-	-	-	5,184
Share issuance expenses	(129)	-	-	-	-	(129)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	-	159	3	-	-	162
Balance as at 31 December 2021	142,341	(59)	(23)	6,413	-	148,672

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**E1. Corporate Information**

Aspial Lifestyle Limited (the "Company") is a limited liability Company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Company's immediate and ultimate holding companies are Aspial Corporation Limited and MLHS Holdings Pte Ltd respectively, both incorporated in Singapore.

The Company's registered office is located at 80 Raffles Place, #32-01 UOB Plaza 1, Singapore 048624 and its principal place of business is located at 55 Ubi Avenue 3, #03-01, Singapore 408864.

The principal activity of the Company is investment holding and provision of management services. The principal activities of the Group are pawnbroking, secured lending and retail and trading of jewellery and branded merchandise.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**E2. Basis of Preparation**

The condensed interim financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the six months ended 30 June 2022.

The accounting policies and method of computation adopted are consistent with those of the previous financial year except that in the current financial period, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency and all values are rounded to the nearest thousand, unless otherwise indicated.

E2.1 New and amended standard adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group has adopted all new and amended standard which are relevant to the Group and are effective for the financial periods beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

E2.2 Use of Judgements and Estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future years' affected.

E3. Seasonal Operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

E4. Segment Information

The segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the respective products and services. The operating businesses are organised and managed separately accordingly to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and services and serves different markets.

The Group is organised into three main operating business segments, namely:

- Pawnbroking;
- Secured lending; and
- Retail and trading of jewellery and branded merchandise.

The "others" segment include rental of properties, provision of other support services, share of result of joint venture and investment holding (including investment properties) which are mainly intersegment transactions.

2H2022	Pawnbroking	Secured Lending	Retail and trading of jewellery and branded merchandise	Others	Elimination	Group
Business Segment	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	27,134	510	150,147	-	-	177,791
Intersegment revenue	24,979	-	-	-	(24,979)	-
	52,113	510	150,147	-	(24,979)	177,791
Results :						
Segment result	8,602	37	12,496	12,841	(13,486)	20,490
Share of results of a joint venture	-	-	-	14	-	14
Interest income	-	-	210	872	(442)	640
Dividend income from equity instruments	-	-	-	100	-	100
Finance costs	(5,723)	(149)	(1,539)	(3,986)	442	(10,955)
Profit from operations before taxation	2,879	(112)	11,167	9,841	(13,486)	10,289
Assets and liabilities						
Segment assets	422,215	10,285	271,448	333,348	(210,814)	826,482
Total assets						826,482
Segment liabilities	373,828	10,251	194,603	298,212	(210,776)	666,118
Total liabilities						666,118
Other segment information						
Capital expenditure	1,237	-	684	53	-	1,974
Depreciation and amortisation	5,416	-	4,434	1,002	-	10,852
Other significant non-cash expenses	314	-	127	(1,676)	-	(1,235)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

E4. Segment Information (Continued)

2H2021	Pawnbroking	Secured Lending	Retail and trading of jewellery and branded merchandise	Others	Elimination	Group
Business Segment	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	23,364	1,170	89,537	-	-	114,071
Intersegment revenue	21,194	-	5	-	(21,199)	-
	44,558	1,170	89,542	-	(21,199)	114,071
Results :						
Segment result	7,409	965	3,306	12,068	(10,931)	12,817
Share of results of a joint venture	-	-	-	78	-	78
Interest income	1	-	-	556	(552)	5
Dividend income from equity instruments	-	-	-	101	-	101
Finance costs	(2,646)	(511)	(347)	(2,248)	551	(5,201)
Profit from operations before taxation	4,764	454	2,959	10,555	(10,932)	7,800
Assets and liabilities						
Segment assets	380,139	23,299	108,526	286,492	(217,978)	580,478
Investment in Joint venture	-	-	-	1,466	-	1,466
Total assets						581,944
Segment liabilities	332,638	22,422	95,415	198,810	(217,897)	431,388
Total liabilities						431,388
Other segment information						
Capital expenditure	775	-	441	13	-	1,229
Depreciation and amortisation	5,932	-	934	466	-	7,332
Other significant non-cash expenses	113	-	(37)	(40)	-	36
FY2022						
Business Segment	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	51,526	2,122	265,360	-	-	319,008
Intersegment revenue	44,727	-	22	-	(44,749)	-
	96,253	2,122	265,382	-	(44,749)	319,008
Results :						
Segment result	17,678	1,396	18,246	17,024	(16,041)	38,303
Share of results of a joint venture	-	-	-	61	-	61
Interest income	-	-	210	1,845	(1,411)	644
Dividend income from equity instruments	-	-	-	198	-	198
Finance costs	(8,712)	(1,016)	(1,970)	(7,115)	1,411	(17,402)
Profit from operations before taxation	8,966	380	16,486	12,013	(16,041)	21,804
Assets and liabilities						
Segment assets	422,215	10,285	271,448	333,348	(210,814)	826,482
Total assets						826,482
Segment liabilities	373,828	10,251	194,603	298,212	(210,776)	666,118
Total liabilities						666,118
Other segment information						
Capital expenditure	1,640	-	730	61	-	2,431
Depreciation and amortisation	11,141	-	5,612	1,512	-	18,265
Other significant non-cash expenses	362	-	129	(1,676)	-	(1,185)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

E4. Segment Information (Continued)

FY2021	Pawnbroking	Secured Lending	Retail and trading of jewellery and branded merchandise	Others	Elimination	Group
Business Segment	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	46,043	2,082	177,578	-	-	225,703
Intersegment revenue	41,121	-	13	-	(41,134)	-
	87,164	2,082	177,591	-	(41,134)	225,703
Results :						
Segment result	13,136	1,661	9,421	17,819	(14,675)	27,362
Share of results of a joint venture	-	-	-	57	-	57
Interest income	8	-	-	1,118	(1,098)	28
Dividend income from equity instruments	-	-	-	298	-	298
Finance costs	(5,166)	(816)	(666)	(4,612)	1,098	(10,162)
Profit from operations before taxation	7,978	845	8,755	14,680	(14,675)	17,583
Assets and liabilities						
Segment assets	380,139	23,299	108,526	286,492	(217,978)	580,478
Investment in Joint venture	-	-	-	1,466	-	1,466
Total assets						581,944
Segment liabilities	332,638	22,422	95,415	198,810	(217,897)	431,388
Total liabilities						431,388
Other segment information						
Capital expenditure	1,821	-	899	22,535	-	25,255
Depreciation and amortisation	11,829	-	1,727	953	-	14,509
Other significant non-cash expenses	242	-	(14)	(40)	-	187

E5. Disaggregation of Revenue

Segments	2H2022 S\$'000	2H2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
Major product or service lines				
Interest income from pawnbroking services	27,134	23,364	51,526	46,043
Interest income and distribution income from secured lending	510	1,170	2,122	2,082
Sale of jewellery and branded merchandise	150,147	89,537	265,360	177,578
	177,791	114,071	319,008	225,703
Timing of transfer of goods or services				
At a point in time	150,147	89,537	265,360	177,578
Over time	27,644	24,534	53,648	48,125
	177,791	114,071	319,008	225,703
Geographical information				
Singapore	169,167	106,833	299,809	212,440
Others	8,624	7,238	19,199	13,263
	177,791	114,071	319,008	225,703

E6. Related Party Transactions

The following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial period:

	Group		Group	
	2H2022 S\$'000	2H2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
Purchases from a related company	182	180	247	381
Sales to a related company	(81)	(205)	(170)	(424)
Corporate services charged from a related company	2,277	1,456	3,477	2,894
Rental charged from a joint venture	510	1,020	1,530	2,019
Rental income from related companies	(143)	-	(143)	-
Management services to a related company	(118)	(195)	(314)	(195)
Acquisition of subsidiaries	98,754	-	98,754	-
Transfer IT system from a related company	2,564	-	2,564	-

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

E7. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021:

	Group			Company		
	Carrying amount			Carrying amount		
	Asset at amortised cost S\$'000	Liabilities at amortised cost S\$'000	Total S\$'000	Asset at amortised cost S\$'000	Liabilities at amortised cost S\$'000	Total S\$'000
31 December 2022						
Financial assets not measured at fair value						
Trade and other receivables*	387,447	-	387,447	-	-	-
Due from subsidiaries (non-trade)	-	-	-	112,867	-	112,867
Due from a related company (non-trade)	93	-	93	22	-	22
Due from immediate holding company (non-trade)	10	-	10	-	-	-
Cash and equivalents	30,813	-	30,813	2,577	-	2,577
	418,363	-	418,363	115,466	-	115,466
Financial liabilities not measured at fair value						
Trade and other payables**	-	46,198	46,198	-	2,435	2,435
Due to immediate holding company (non-trade)	-	13,502	13,502	-	13,500	13,500
Due to a related company (non-trade)	-	3,285	3,285	-	-	-
Interest-bearing loans	-	448,249	448,249	-	-	-
Term notes	-	59,527	59,527	-	59,527	59,527
Lease liabilities	-	84,424	84,424	-	-	-
	-	655,185	655,185	-	75,462	75,462
31 December 2021						
Financial assets not measured at fair value						
Trade and other receivables*	331,292	-	331,292	11	-	11
Due from subsidiaries (non-trade)	-	-	-	135,604	-	135,604
Cash and equivalents	19,735	-	19,735	4,712	-	4,712
	351,027	-	351,027	140,327	-	140,327
Financial liabilities not measured at fair value						
Trade and other payables**	-	10,793	10,793	-	2,426	2,426
Due to immediate holding company (non-trade)	-	6	6	-	6	6
Due to a related company (non-trade)	-	3	3	-	3	3
Interest-bearing loans	-	336,297	336,297	-	-	-
Term notes	-	45,250	45,250	-	45,250	45,250
Lease liabilities	-	34,410	34,410	-	-	-
	-	426,759	426,759	-	47,685	47,685

* Excludes GST receivables (net)

** Excludes GST payables (net) and accrued operating expenses (provision of unutilised leave and provision for reinstatement cost)

E8. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group		Group	
	2H2022 S\$'000	2H2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
Current income tax				
Current income taxation	2,184	1,058	3,814	2,475
Under/(over) provision in respect of previous years	154	(84)	97	(84)
Withholding tax	1	18	28	26
Deferred income tax				
Origination and reversal of temporary differences	440	340	1,054	692
Under/(over) provision in respect of previous years	741	(15)	734	(67)
	3,520	1,316	5,727	3,042

E9. Dividends

	Group and Company	
	FY2022 S\$'000	FY2021 S\$'000
Ordinary dividends paid:		
Interim exempt (one-tier) dividend in respect of profits for 2020: 1.45 cents per share	-	15,010
Interim exempt (one-tier) dividend in respect of profits for 2021: 0.60 (2021: 0.65) cents per share	6,402	6,727
Interim exempt (one-tier) dividend in respect of profits for 2022: 0.65 cents per share	6,935	-
	13,337	21,737

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

E10. Net Asset Value

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
Net asset value per ordinary share (cents)	11.63	14.01	14.73	13.93
Number of ordinary shares in issue ('000)	1,378,800	1,066,927	1,378,800	1,066,927

E11. Financial Assets At Fair Value Through Other Comprehensive Income

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

	Group	
	31-Dec-22 S\$'000	31-Dec-21 S\$'000
At FVOCI		
Equity securities (unquoted)		
-BigFundr Private Limited	725	500
Equity securities (quoted)		
-Lippo Malls Indonesia Retail Trust	1,116	2,457
	1,841	2,957

E11.1 Fair Value Measurement

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

	Group 31-Dec-22			
	Quoted prices in active markets for identical assets (Level 1) S\$'000	Significant observable inputs other than quoted prices (Level 2) S\$'000	Significant unobservable inputs (Level 3) S\$'000	Total S\$'000
Assets measured at fair value				
Financial assets				
<u>At fair value through other comprehensive income</u>				
- Equity securities (unquoted)	-	-	725	725
- Equity securities (quoted)	1,116	-	-	1,116
<u>At fair value through profit or loss</u>				
- Forward currency contracts	-	754	-	754
	1,116	754	725	2,595
Non-financial assets				
- Investment properties	-	-	11,650	11,650
Liabilities measured at fair value				
Financial liabilities				
<u>At fair value through profit or loss</u>				
- Forward currency contracts	-	902	-	902

	Group 31-Dec-21			
	Quoted prices in active markets for identical assets (Level 1) S\$'000	Significant observable inputs other than quoted prices (Level 2) S\$'000	Significant unobservable inputs (Level 3) S\$'000	Total S\$'000
Assets measured at fair value				
Financial assets				
<u>At fair value through other comprehensive income</u>				
- Equity securities (unquoted)	-	-	500	500
- Equity securities (quoted)	2,457	-	-	2,457
<u>At fair value through profit or loss</u>				
- Forward currency contracts	-	219	-	219
	2,457	219	500	3,176
Non-financial assets				
- Investment properties	-	-	16,850	16,850

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**E12. Property, Plant and Equipment**

During the six months ended 31 December 2022, the Group acquired assets amounting to \$1,974,000 (six month ended 31 December 2021: \$1,229,000)

During the year ended 31 December 2022, the Group acquired assets amounting to \$2,431,000 (31 December 2021: \$25,255,000).

E13. Investment Properties

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

There was no acquisition of investment properties for the year ended 31 December 2022 and 31 December 2021. There was disposal of an investment property for the year ended 31 December 2022 (31 December 2021: Nil).

E13.1 Valuation

Investment properties that are stated at fair value has been determined based on valuations performed by external appraisers with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being appraised. The valuations are based on the Direct Comparison Method which makes reference to sales of comparable properties with the consideration of their location, tenure, age, floor area, floor level, condition and standard of finishes.

E14. Group Borrowings and Debt Securities**Amount repayable in one year or less, or on demand**

As at 31-Dec-22		As at 31-Dec-21	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
348,050	-	252,296	45,250

Amount repayable after one year

As at 31-Dec-22		As at 31-Dec-21	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
100,199	59,527	84,001	-

Details of collateral

The Group's borrowings and debt securities are secured as follows:-

- corporate guarantees by the Company and immediate holding company; and
- fixed and floating charges on all assets of certain subsidiaries.

E15. Changes in Share Capital

	No. of ordinary shares (excluding treasury shares) '000	Issued and fully paid-up share capital \$'000
Balance as at 1 January 2022 and 30 June 2022	1,066,927	142,282
Share buyback (Note 1)	(884)	(145)
Treasury Shares reissued pursuant to Maxi-Cash Performance Share Plan (Note 2)	1,101	185
Ordinary shares issued (Note 3)	311,656	49,865
Balance as at 31 December 2022	1,378,800	192,187

Note 1 - On 24 August 2022 and 25 August 2022, the Company purchased an aggregate of 884,000 shares, which are held as treasury shares.

Note 2 - On 31 August 2022, the Company transferred 1,100,800 treasury shares to eligible employees under the Maxi-Cash Performance Share Plan.

Note 3 - On 30 September 2022, the Company completed the acquisition of subsidiaries which was partly settled by way of issuance of 311,656,411 new ordinary shares of the Company.

The total number of issued shares excluding treasury shares as at 31 December 2022 was 1,378,800,475 (31 December 2021: 1,066,927,234). The Company has no outstanding convertibles or subsidiary holdings as at 31 December 2022 and 31 December 2021. The Company completed its acquisition of subsidiaries on 30 September 2022 which includes an earn-out consideration which will be partly satisfied by way of issuance of 36,809,815 new ordinary shares of the Company, contingent on the achievement of certain targets. These have been satisfied on 31 December 2022.

E16. Changes in Treasury Shares

	As at 31 December 2022 ('000)	As at 31 December 2021 ('000)
Total number of treasury shares	108	325
Total number of ordinary shares (excluding treasury shares)	1,378,800	1,066,927
% of treasury shares over total number of ordinary shares	0.01%	0.03%

E17. Changes in Subsidiary Holdings

Not applicable. The Company does not have any subsidiary holdings.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**E18. Subsequent Event**

- (i) Acquisition and Put Option arrangement with Maxion Holding Sdn Bhd.

On 1 December 2022, Maxi Cash (Malaysia) Sdn Bhd ("Maxi-Cash Malaysia"), a wholly-owned subsidiary of the Group entered into a share sales and purchase agreement ("Agreement") with Ion World Sdn Bhd ("Ion"), pursuant to which Maxi-Cash Malaysia has agreed to purchase share representing 65% of the issued shares in the capital of Maxion Holding Sdn Bhd ("Maxion"), for an aggregate cash consideration of RM30.9 million. The acquisition was completed on 3 January 2023 and Maxion is a 65% owned indirectly subsidiary of the Group. Management is in the midst of performing a preliminary Purchase Price Allocation ("PPA") exercise and has up to 12 months from the date of acquisition to complete and finalise the PPA.

Pursuant to the Agreement, the Group has also agreed to grant a put option to Ion on completion of the acquisition in which Ion may require the Group to purchase the remaining 35% shares of Maxion. The put option will be exercisable between 1 January 2027 and 31 December 2032, provided that the Group shall not be required to acquire more than 10% of the issued shares of the Maxion in any one year. Relevant announcements on the acquisition and the put option have been duly published on SGXNet.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C**F1. Auditor's Report**

The condensed interim statements of financial position of Aspial Lifestyle Limited and its subsidiaries as at 31 December 2022 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows and certain explanatory notes have not been audited or reviewed.

F2. Audit Opinion (Applicable to Companies That Have Received Modified Audit Opinions)

Not applicable. The Group's latest financial statements for the financial year ended 31 December 2021 was not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

F3. Variance from Forecast Statement

No forecast for the financial year ended 31 December 2022 was previously provided.

F4. Earnings per Share

	Group		Group	
	2H2022	2H2021	FY2022	FY2021
i) Basic earnings per share (cents)	0.55	0.62	1.39	1.39
ii) Diluted earnings per share (cents)	0.55	0.62	1.39	1.39
- Weighted average number of shares ('000)	1,224,763	1,038,232	1,146,494	1,036,667

F5. Review of Corporate Performance

The Group's revenue increased by 41.3% to \$319.0 million in FY2022 and was \$63.7 million higher for 2H2022 than 2H2021. The increase in revenue was primarily attributable to higher revenue from the retail of jewellery and branded merchandise as well as contribution from the newly acquired jewellery business, increase in interest income from the pawnbroking business and secured lending business.

The retail and trading of jewellery and branded merchandise business reported a significant increase of revenue of 49.4% for FY2022 and 67.7% increase in 2H2022 amounting to \$150.1 million and \$89.5 million respectively. The accelerated growth in retail and trading of jewellery and branded merchandise business is mainly due to the newly acquired jewellery business. Revenue contribution from the pawnbroking business increased by 11.9% to \$51.5 million in FY2022 and 16.1% to \$27.1 million for 2H2022. The increase was primarily attributed to the higher interest income from its growing pledge book. The secured lending business reported a 1.9% increase in revenue in FY2022 but decreased by 56.4% to \$0.5 million in 2H2022 as compared to 2H2021.

The profit before tax of the Group increased from \$17.6 million in FY2021 to \$21.8 million in FY2022 mainly due to increase in revenue and gross profit, higher rental income and higher other income, offset by higher operating expenses and higher finance costs.

As compared to 2H2021, operating expenses in 2H2022 increased by \$16.9 million. The increase is mainly due to higher marketing expenditures, staff costs and depreciation costs arising from the newly acquired jewellery business. The increase in finance costs for 2H2022 was mainly due to higher borrowings and increase in interest rates.

The Group registered a loss of \$3.8 million for its regional business in FY2022 which includes costs relating to the rationalisation and closure of the Mong Kok (Hong Kong) and Melbourne (Australia) stores. Excluding the regional losses, the Group registered a profit before tax of \$25.6 million for FY2022.

F6. Business Outlook

Singapore's GDP for 2023 is expected to grow slower at between 0.5% to 2.5%¹ compared to 3.6% in 2022 as uncertainties remain in the global economy.

The Group has completed the acquisition of the jewellery business (Lee Hwa Jewellery and Goldheart Jewelry) from Aspial Corporation Limited in September 2022. The Group will seek to benefit from higher synergy across its retail businesses.

The pawnbroking business continues to see healthy growth as the increase of economic activities drives the demand for short-term loans. With the acquisition of Maxion Holdings Sdn Bhd in Malaysia, the Group expects our Malaysia pawnbroking operations to contribute positively to the Group's results in FY2023.

The Group is cautiously optimistic about its businesses as it continues to improve the effectiveness and efficiency of its businesses even as interest rates and operating costs continue to be key concerns.

F7. Interested Person Transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Catalist Rules.

¹ <https://www.mti.gov.sg/Newsroom/Press-Releases/2023/02/MTI-Maintains-2023-GDP-Growth-Forecast-at-0.5-to-2.5-Per-Cent>

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C (CONTINUED)**F8. Dividend**

(i) Proposed Dividend

Name of dividend	2022	2021
Name of dividend	Interim	Interim
Dividend Type	Cash	Cash
Dividend Rate	\$0.0040 per ordinary share	\$0.0060 per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt
Record date	To be announced later	14 March 2022
Payment date	To be announced later	24 March 2022

(ii) Total Annual Dividend

Total dividend proposed and paid for the financial year ended 31 December 2022 will be \$0.0105 per share (2021: \$0.0125 per share)

Name of dividend	2022	2021
Interim dividend	12,450,230 *	13,128,591
Total annual dividend	12,450,230	13,128,591

* This refers to the first interim dividend of \$6,935,028 paid on 9 September 2022 and proposed second interim dividend of \$5,515,202.

F9. Confirmation That The Issuer Has Procured Undertakings From All Its Directors And Executive Officers Pursuant to Rule 720(1) of The Catalist

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H.

On behalf of the Board of Directors,

Ng Kean Seen
CEO

Koh Wee Seng
Non-Executive Chairman

23 February 2023