Aspial

ANNUAL REPORT 2022

TABLE OF
CONTENTS

02 CHIEF EXECUTIVE OFFICER'S MESSAGE

06 BUSINESS REVIEW

08 FINANCIAL HIGHLIGHTS

09 CORPORATE INFORMATION

10 BOARD OF DIRECTORS

11 KEY MANAGEMENT

12 CORPORATE GOVERNANCE REPORT

34 FINANCIAL REPORT

Aspial One, interior

CHIEF EXECUTIVE OFFICER'S
MESSAGE

DEAR SHAREHOLDERS,

I am pleased to present to you Aspial Corporation Limited's ("**Aspial Corporation**") annual report for the financial year ended 31 December 2022 ("**FY2022**").

2022 continued to be a year of international efforts to make COVID-19 go endemic. Many countries have opened up their borders and either lifted or eased restrictions for social interactions and travel. As economies return to pre-pandemic levels of performance and operations, they have also had to grapple with the rising inflation rates and interest hikes, further aggravated by the geopolitical tension from the ongoing Russia-Ukraine war.

We expect the year ahead to remain challenging in light of the ongoing geopolitical tensions and their influence on rising inflation and interest rates, and how these factors may in turn affect the global economy, financial markets and consumer sentiments.

The Company's subsidiary, WCL (QLD) Margaret St Pty. Ltd., entered into a put and call option in relation to the proposed sale of its property at 240 Margaret Street, Brisbane, Queensland 4000, on 21 February 2023. The proceeds from the disposal will be used towards the repayment of existing loans on the property and for general working capital purposes.

In FY2022, we successfully consolidated our Singapore retail business under our subsidiary, Aspial Lifestyle Limited ("**Aspial Lifestyle**", formerly known as Maxi-Cash Financial Services Corporation Ltd.). The Group entered into a sale and purchase agreement with Aspial Lifestyle, in which the Group sold all the issued ordinary shares in the capital of its wholly-owned subsidiaries, Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) ("**AL Jewellery Group**"), Gold Purple Pte. Ltd., and BU2 Services Pte. Ltd. This will allow the Group to focus and consolidate its local retail business under the management of Aspial Lifestyle, falling in line with our strategy towards optimising our organisation structure.

For the year ahead, we plan to pursue new business opportunities, optimise our resources, and enhance the effectiveness and efficiency of our existing operations. Our strategy moving forward includes the transformation and consolidation of our businesses to achieve better outcomes and position ourselves for sustainable growth and long-term success.

In light of the ongoing economic uncertainties, the Board has not declared a dividend for FY2022 in order to retain cash to be used for working capital, reducing borrowings, and funding any potential growth opportunities for the Group to deliver greater value in the long term.

RETAIL BUSINESS

Aspial Corporation's jewellery business consists of several premium jewellery brands, including the internationally-renowned German jewellery house, Niessing, as well as Lee Hwa Jewellery and Goldheart Jewellery. In July 2022, the Group completed its sale and purchase agreement with Maxi-Cash Financial Services Corporation Ltd. (now known as Aspial Lifestyle Limited) ("**MCFS**"), following which, its jewellery businesses AL Jewellery Group, Gold Purple Pte. Ltd. and BU2 Services Pte. Ltd. are fully managed by MCFS, thus renamed Aspial Lifestyle Limited ("**Aspial Lifestyle**"). In addition to the retail of premium jewellery, Aspial Lifestyle also engages in the retail and trading

MaxiPAY by Maxi-Cash


Romance 2022 by Lee Hwa Jewellery

Supernova Diamond by Lee Hwa Jewellery

12 Barker by World Class Land

Goldheart Celestial Diamond

Niessing Spanning ® Bamboo

CHIEF EXECUTIVE OFFICER'S MESSAGE

of pre-loved jewellery, timepieces and branded bags. The performance of Aspial Lifestyle's jewellery business will still be consolidated under Aspial Corporation and continue to contribute to the Group's results.

The Group plans to build on its success in the retail business by leveraging on its strong branding, extensive store network, innovative capabilities, and staff training initiatives in order to further enhance the effectiveness and efficiency of its business and services.

FINANCIAL SERVICE BUSINESS

Our Financial Service Business provides pawnbroking services and secured loan services.

The increase in economic activities in FY2022 have led to a rise in demand for short-term loans, which led to the healthy growth of our pawnbroking business for the year. With the completion of Aspial Lifestyle's acquisition of Maxion Holding Sdn. Bhd. ("**Maxion**") from Ion World Sdn. Bhd. in Malaysia in January 2023, we expect our pawnbroking business in Malaysia to contribute positively to the Group's results in 2023.

REAL ESTATE BUSINESS

The Group manages property development projects in Singapore, Australia, and Malaysia through World Class Land Pte. Ltd. and World Class Global Pte. Ltd. For the year under review, most of the revenue contribution for our Real Estate Business was from our Australia 108 development.

With Australia completely opening its borders to travel, we are cautiously optimistic that demand for the remaining units in our Australia 108 development will contribute significantly to revenue growth in 2023. Meanwhile in Singapore, the Group will maintain its efforts in marketing the commercial units for both rent and sale.

OTHER INVESTMENTS

The Group's other investments are mainly held by our associate, AF Global Limited, which operates hotels, resorts, and serviced residences in Thailand, Vietnam, and Laos. It also offers real estate consultancy through Knight Frank Pte. Ltd..

With the ease of border restrictions and resurgence of leisure travel over the world, the Group expects the hospitality market to improve significantly in 2023.

IN APPRECIATION

On behalf of the Board, I would like to extend my appreciation to our management and staff for their commitment and dedication towards the Group during these challenging times.

I would also like to thank our Board of Directors for their guidance and leadership in navigating the shifting landscape of 2022 with the Group.

I would like to take this opportunity to extend my appreciation to Mr Kau Jee Chu, who is retiring at the conclusion of the forthcoming Annual General Meeting, for his invaluable contribution and effort in guiding the Group thus far. Finally, I would like to thank our business partners, customers, and shareholders for their steadfast support and faith in us, and for standing by us throughout this time of uncertainty.

We are determined to weather the storm and emerge stronger together in order to reach for new heights and deliver greater value for our stakeholders. I look forward to journeying through the years ahead with you.

KOH WEE SENG
Chief Executive Officer

Australia 108 by World Class Global

Niessing Topia Vision Space bangle & ring

Goldheart 916 Italian Gold

Yixin, Artiste Co in KStyle

BUSINESS REVIEW

OVERVIEW

For the year under review, countries around the world navigated the challenges of rising interest rates and record-high inflation, as well as geopolitical uncertainties, as they pursued economic recovery. Despite these challenges, the Group made further progress in reorganising its business to maximise operational efficiency.

In FY2022, the Group recorded a 21.3% increase in revenue to S$506.2 million as compared to S$417.2 million in FY2021. The increase in revenue was due to the stronger performance of all its business segments, with the revenue growth in the Retail Business contributing the most to the increase.

The Group reported a pre-tax loss of S$3.5 million for FY2022, as compared to the pre-tax profit of S$6.6 million in the previous year. This was mainly due to impairment loss and foreign exchange loss from the overseas real estate business.

RETAIL BUSINESS

The Group's retail business recorded a 23.4% increase in revenue to S$391.2 million during the year, mainly due to the increase in sales recorded by its new jewellery sales. Additionally, the Group completed the sale and purchase of certain subsidiaries in retail business to Aspial Lifestyle Limited in order to streamline the operational efficiency of the Group's jewellery business; the sale was completed in the third quarter of FY2022.

In line with the increase in revenue, the segment also recorded a higher pre-tax profit of S$31.3 million in FY2022, as compared to the S$29.6 million recorded in the previous year.

FINANCIAL SERVICE BUSINESS

Revenue for our Financial Service Business increased by 11.4% to S$53.6 million as compared to S$48.1 million in FY2021. The increase was mainly due to higher interest income from its growing pledge book. Similarly, pre-tax profit for the Financial Service Business rose by 5.9% to S$9.3 million for FY2022.

12 Barker by World Class Land

REAL ESTATE BUSINESS

The Group's Real Estate Business reported an increase in revenue to S$61.4 million in FY2022, compared to S$52.0 million in FY2021. This was mainly due to the increase in sales and settlement for its Australia 108 property.

In contrast, the segment reported a pre-tax loss of S$34.3 million for FY2022 as compared to the pre-tax loss of S$30.4 million in FY2021. The increase in pre-tax loss was mainly due to the higher foreign exchange loss as well as the impairment loss from the S$8.3 million write down of a development property in Brisbane, which is now reclassified to property held for sale.

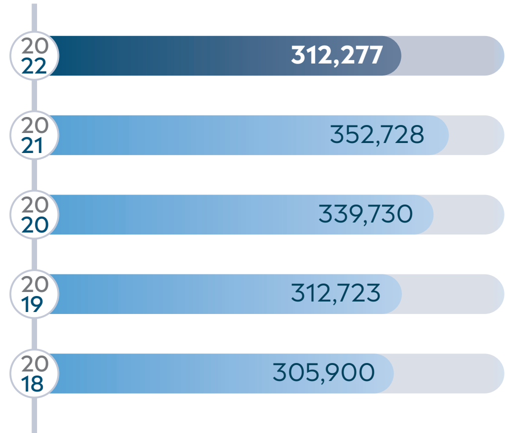
OTHER INVESTMENTS

As travel restrictions have been loosening towards the latter half of FY2022, leading to the resurgence of business and leisure travel, AF Global Limited's hospitality business had also improved. There is improving customer sentiments from the gradual and ongoing economic recovery. As a result, the share of results of associates and a joint venture rose by 83.3% from S$0.6 million in the previous year to S$1.1 million in FY2022.

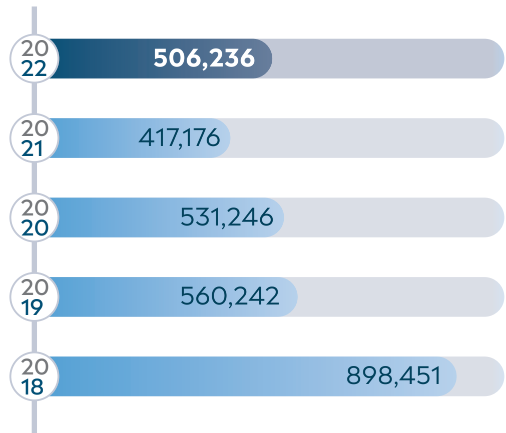
Rebecca Lim, Mediacorp Artiste & Goldheart Brand Ambassador in 999 Gold Si Dian Jin

FINANCIAL
HIGHLIGHTS

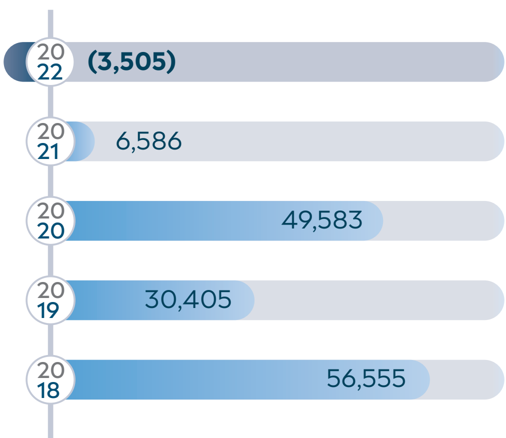
NET ASSET VALUE (S$'000)



TOTAL TURNOVER (S$'000)



(LOSS)/PROFIT BEFORE TAX (S$'000)



GROUP'S 5-YEAR FINANCIAL HIGHLIGHTS

(S$)	**2022 ('000)**	2021 ('000)	2020 ('000)	2019 ('000)	2018 ('000)
Total Turnover	**506,236**	417,176	531,246	560,242	898,451
(Loss)/profit Before Tax	**(3,505)**	6,586	49,583	30,405	56,555
(Loss)/profit After Tax	**(11,746)**	2,655	29,456	18,560	37,106
Paid-up Capital	**267,574**	267,574	226,930	226,930	226,930
Total Equity	**396,366**	437,530	446,941	410,448	406,563
Net Asset Value	**312,277**	352,728	339,730	312,723	305,900
(Loss)/earnings Per Share (cents)	**(0.68)**	(0.02)	0.92	0.66	1.46

Holiday Inn Resort Phulet by AF Global

CORPORATE INFORMATION

DIRECTORS

Koh Wee Seng
Chief Executive Officer

Koh Lee Hwee
Executive Director

Ko Lee Meng
Non-Executive and
Non-Independent Director

Wong Soon Yum
Lead Independent Director

Kau Jee Chu
Independent Non-Executive Director

Ng Bie Tjin @ Djuniarti Intan
Independent Non-Executive Director

COMPANY SECRETARY

Lim Swee Ann Felix
CPA, ACIS

REGISTERED OFFICE

77 Robinson Road
#06-03 Robinson 77
Singapore 068896

SHARE REGISTRAR

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

PRINCIPAL BANKERS

CIMB Bank Berhad

DBS Bank Ltd.

Oversea-Chinese Banking Corporation Limited

RHB Bank Berhad

United Overseas Bank Limited

AUDITOR

Ernst & Young LLP
One Raffles Quay
North Tower, Level
18 Singapore 048583

Partner-in-charge:

Tan Peck Yen

(Chartered Accountant, a member of the Institute of Singapore Chartered Accountants)

(Since financial year ended 31 December 2021)

BOARD OF DIRECTORS

KOH WEE SENG is our CEO and is responsible for the strategic planning, overall management and business development of the Group. Since late 1994, when the new management team, led by Mr Koh, took over the reins, the Group has overcome the challenges posed by changing consumer demand by implementing wide ranging and fundamental changes in its jewellery business. Mr Koh has also successfully led the Group's diversification into the real estate business, hospitality and financial service business. Mr Koh holds a Bachelor's degree in Business Administration from the National University of Singapore.

KOH LEE HWEE is our Executive Director. Ms Koh is currently heading World Class Land Pte. Ltd., a subsidiary of Aspial Corporation Limited. Prior to her appointment, Ms Koh was also the CEO for our subsidiary Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) ("**Aspial Lifestyle**") which is listed on Catalist of SGX. She was responsible for the strategic planning, overall management and business development of Aspial Lifestyle group of companies. She has held the position of Vice President (Manufacturing) of the Group, where she oversaw and spearheaded the growth of our manufacturing division and was responsible for the overall production plans, technology, management and development. Ms Koh has more than 20 years of experience in the jewellery industry. Ms Koh holds a Bachelor's degree in Arts from the National University of Singapore.

KO LEE MENG is our Non-Executive Director and Non-Independent Director. On 1 October 2015, she relinquished her role as Executive Director and remains as the Non-Executive Director of the Group. Ms Ko has more than 25 years of experience in the jewellery industry and was previously the head of the Group's retail merchandising and manufacturing departments where she oversaw the management, manufacturing, replenishment and distribution of merchandise to our jewellery retail stores. Ms Ko holds a Bachelor's degree in Arts from the National University of Singapore.

WONG SOON YUM is our Lead Independent Director. Mr Wong is the Chairman of our Audit Committee. Mr Wong started his career in the banking industry in 1971 with The Chase Manhattan Bank, N.A. and retired from his position as a Senior Vice President of Oversea-Chinese Banking Corporation Limited at the end of 1998. Mr Wong holds a Professional Diploma in Accountancy from Singapore Polytechnic and completed the Management Programme of Stanford-National University of Singapore.

KAU JEE CHU is our Independent Non-Executive Director and Chairman of Nominating Committee. He has more than 35 years of working experience in areas of accounting, manufacturing, finance and securities. His past careers included serving as the Regional Accountant of Commonwealth Development Corporation, General Manager of Federal Chemical Industries (Singapore) Pte. Ltd., General Manager of Singapura Building Society Ltd., CEO/Executive Director of Overseas Union Trust Ltd. and Chairman of OUB Securities Pte. Ltd.. Mr Kau is an accountant by profession and is a fellow of the Association of the Chartered Certified Accountants, United Kingdom.

NG BIE TJIN @ DJUNIARTI INTAN is our Independent Non-Executive Director. Ms Ng is the Chairman of our Remuneration Committee and member of Audit Committee and Nominating Committee. Ms Ng was a director of Datapulse Technology Limited from 7 January 1994 to 30 November 2014, and during that time, was a member of the Nominating Committee. During the 20 years period, Ms Ng was the Finance Director. Apart from overseeing the daily operations of the finance functions including accounting, finance, treasury and capital management, she was responsible for administration and implementation of corporate finance strategies and policies, corporate governance and internal control policies and procedures, investor relations, and identification and evaluation of new business opportunities. She is also an Independent Director of SunMoon Food Company Limited from 31 August 2017 and is the Chairman of the Audit and Risk Committee and member of Remuneration and Nominating Committee. She is also a director of Uniseraya Holdings Pte. Ltd. from January 2015. Ms Ng holds a Masters in Business Administration from the University of Southern California.

KEY
MANAGEMENT

NG SHENG TIONG, DAVID is the Chief Executive Officer of our property business. He oversees the management of our property development and property investment business in Australia & Malaysia. David started his career in the field of Information Technology, and was the Group's Information Technology Director. In 2011, he moved on to head our Group's property business and over the last 10 years, have accumulated a wealth of experience in property development in Singapore, Australia & Malaysia. David holds a Master of Business in Information Technology from Royal Melbourne Institute of Technology.

LIM SWEE ANN, FELIX currently serves as the Chief Financial Officer of our Group. Before joining the Group, he worked for two listed companies, one each in Singapore and Malaysia. He has more than 20 years of experience working in the finance organisation of various industries including ship building, manufacturing, retail and property development. He holds a Bachelor's degree in Commerce and Administration from Victoria University of Wellington in New Zealand and a Master of Business from Victoria University of Technology (Australia). He is a member of CPA Australia and a member of The Singapore Association of the Institute of Chartered Secretaries and Administrators.

MEELAN GURUNG is the Senior Director of Tax and Special Projects for the Group. He oversees the Group's strategic projects, tax structure and strategy, and provides financial and business leadership for mergers, acquisitions and divestment activities, financing requirements, access to capital market and investments. Meelan is a professional finance and tax specialist with more than 20 years of experience. Prior to joining the group, he was holding senior management positions with Acuatico Pte. Ltd., Avenue Capital Group and Schlumberger. He holds a Bachelor degree in Economics from Monash University and is a member of CPA Australia.

CHAN GEK CHING, JOCELYN is currently our Human Resource Director and manages all aspects of the human resource functions. Her key priority is to work together with the leadership team to inspire and achieve organisational effectiveness through business partnerships, attract and develop the best talents, and build a culture of collaboration and innovation. Jocelyn has more than 15 years of HR experience from the retail and tourism industries, and is a certified IHRP-Senior Professional. She holds a Master of Business from Nanyang Technological University and a Master of Science in Advanced Leadership Practise from University of Edinburgh Napier.

LIM JULIE is currently our Group's Corporate Information Technology Director and manages all aspects of the IT functions ranging from infrastructure, hardware to applications. She has spent majority of her career in the IT industry and has more than 25 years of experience, and out of which 17 years in the IT project management and planning. Julie is a certified Project Manager from both the Project Management Institution (PMI) and Infocomm Development Authority of Singapore (IDA) as well as a certified Enterprise Architecture (TOGAF). Before joining the Group, she was in IT consulting and banking arena. She holds a Honors Degree in Computing and Information System from University of London and Degree in Psychology from University of Singapore Institute of Management.

CORPORATE GOVERNANCE
REPORT

Supernova Diamond by Lee Hwa Jewellery

The board of directors (the "**Board**" or the "**Directors**") of Aspial Corporation Limited (the "**Company**" and together with its subsidiaries, the "**Group**") recognises the importance of corporate governance and is committed to ensuring the practices recommended in the Code of Corporate Governance 2018 (the "**Code**") are practiced throughout the Group.

This report outlines the Company's corporate governance practices that were in place during the financial year ended 31 December 2022 ("**FY2022**"), with specific references made to the principles and provisions of the Code and accompanying practice guidance (the "**Practice Guidance**"), which forms part of the continuing obligations under the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The Board is pleased to confirm that for FY2022, the Company has complied with the principles and provisions as set out in the Code and the Practice Guidance, except where otherwise explained. In areas where the Company's practices vary from any of the provisions of the Code and the Practice Guidance, the Company has stated herein the provision of the Code and the Practice Guidance from which it has varied, and appropriate explanations are provided for the variations, and how the practices the Company had adopted are consistent with the intent, aim and philosophy of the relevant principles of the Code and the Practice Guidance. The Company will continue to assess its needs and implement appropriate practices accordingly.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: Effective Board to lead and control the Company

The Board directs and leads the business affairs of the Group and is responsible for setting the strategic direction and establishing goals for protection and enhancement of long-term value and returns for the shareholders. The Board works with the senior management team of the Company ("**Management**") to achieve these goals set for the Group. To ensure smooth operations, facilitate decision-making and ensure proper controls, the Board has delegated some of its powers to its committees and Management. The committees and Management remain accountable to the Board.

In addition to its statutory duties, the principal functions of the Board are to:

- provide entrepreneurial leadership, set strategic directions, and ensure the necessary financial and human resources are in place for the Group to meet its objectives;
- establish a framework of prudent and effective controls which enable risks to be assessed and managed, and to achieve an appropriate balance between risks and company performance;
- constructively challenge Management and review Management's performance;
- set the Group's corporate values and standards which include ethical standards and ensure that obligations to shareholders and others are understood and met;
- instil an ethical corporate culture and ensure that the Group's values, standards, policies and practices are consistent with the culture to ensure proper accountability within the Company and the Group; and
- ensure transparency and accountability to key stakeholder groups.

The Company has internal guidelines setting forth matters that require Board's approval. The material transactions that require Board's approval under such guidelines are as follows:

- approval of financial results announcements and financial statements;
- declaration of interim dividends and proposal for final dividends;
- convening of shareholders' meetings;
- authorisation of merger and acquisition transactions; and
- authorisation of major transactions.

BOARD MATTERS (CONTINUED)

THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

Principle 1: Effective Board to lead and control the Company (Continued)

All Directors objectively have discharged their duties and responsibilities at all times as fiduciaries in the interests of the Company. The Board has, without abdicating its responsibilities, delegated certain matters to specialised committees of the Board, which include the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"). The Board Committees assist the Board in carrying out and discharging its duties and responsibilities efficiently and objectively. The Board Committees function within clearly defined terms of reference setting out their compositions, authorities and duties, which include reporting back to the Board, and operating procedures. The effectiveness of the Board Committees is also reviewed by the Board on an annual basis. Information on the Board Committees and their respective terms of reference can be found in the subsequent sections of this report.

The Board meets on a quarterly basis as warranted. Ad-hoc meetings are held to address significant issues or transactions. The Board members also meet regularly with Management to discuss the business operations of the Group either formally or informally.

The Company's Constitution provides for the Board to convene meetings by way of telephone conference and/or by means of similar communication equipment where all Directors participating in the meetings are able to hear each other. Decisions of the Board and the Board Committees may also be obtained through circular resolutions.

The details of the number of the Board and the Board Committees meetings held in the calendar year and the attendance of each Director at those meetings are set out below:

	Board		Audit Committee		Nominating Committee		Remuneration Committee	
Name of Director	**No. of meeting held**	**No. of meeting attended**	**No. of meeting held**	**No. of meeting attended**	**No. of meeting held**	**No. of meeting attended**	**No. of meeting held**	**No. of meeting attended**
Koh Wee Seng	4	4	2*	2*	1	1	1*	1*
Koh Lee Hwee	4	4	2*	2*	1*	1*	1*	1*
Ko Lee Meng	4	4	2	2	1*	1*	1	1
Wong Soon Yum	4	4	2	2	1	1	1	1
Kau Jee Chu	4	4	2	2	1	1	1	1
Ng Bie Tjin @ Djuniarti Intan	4	4	2	2	1	1	1	1

A formal Letter of Appointment has been provided to the existing Non-Executive Directors which sets out the Directors' duties and responsibilities and the Board governance policies and practices. In line with the corporate governance best practices, a formal Letter of Appointment will be provided to new Directors, setting out their duties and responsibilities and obligations as a Director in respect of potential conflicts of interest, their interested person transactions and disclosure of Director's interests. All Directors are required to disclose their business interests and any potential or actual conflicts of interest that they are aware of, or as soon as such conflicts become apparent. In any situation that involves a conflict of interest with the Group, the Directors will recuse themselves from participating in any discussions and decisions on the matter.

The Group will make arrangement for all newly appointed Directors who do not have prior experience as directors to a public listed company in Singapore to attend courses organised by the Singapore Institute of Directors as required under the Listing Manual. Newly appointed Directors are also given an orientation on the Group's businesses and strategic directions, so as to familiarise them with the Group's operations and encourage effective participation in Board discussion. All Directors are updated on major developments of the Group. Familiarisation visits are organised, if necessary, to facilitate a better understanding of the Group's business operations.

As at the date of this report, all Directors have attended the prescribed sustainability training course authorised by the Singapore Exchange Regulation ("**SGX Regco**") to equip themselves with basic knowledge on sustainability matters.

BOARD MATTERS (CONTINUED)

THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

Principle 1: Effective Board to lead and control the Company (Continued)

To enhance a Director's performance as a Board member or Board Committee member, all Directors will go through an induction programme and are encouraged to undergo continual professional development during the term of their appointment to develop and maintain their skills and knowledge. Professional development may relate to directors' duties and responsibilities, corporate governance, key changes in the relevant regulatory requirements, changes in financial reporting standards and industry related matters. Directors will also receive regular updates on changes in the relevant laws and regulations, changing commercial risks and business conditions to enable them to make well-informed decisions. All Directors were updated on the Code which applies to Annual Reports covering financial years commencing from 1 January 2022. The Company Secretary briefed the Board on the latest changes to the Listing Manual, as part of a continued effort to provide the Board a refresher on the Group's processes towards regulatory compliance. The Directors are also provided with briefing and updates on the developments in financial reporting and governance standards by the Company's external auditors, Ernst & Young LLP. The Group's external auditors also provide regular updates and periodic briefing to the AC on changes or amendments to the accounting standards and their impact on the financial statements, if any.

As the ability to commit sufficient time and attention to the Group's affairs is essential for the individual Director's contribution and performance, the Board has considered the number of listed directorships each of its Directors can hold to ensure Directors give sufficient time and attention to the affairs of the Company. As a guide, Directors should not have more than six (6) listed company board representations. None of the Directors of the Company sits on the boards of more than six (6) listed companies. The NC determines annually whether a director with other listed company board representations is able to and has been adequately carrying out his or her duties as a director of the Company. In FY2022, the NC has reviewed and is satisfied that where Directors have other listed company board representations, the Directors have been able to devote sufficient time and attention to the affairs of the Company to adequately carry out their duties as Directors of the Company.

To enable the Board to fulfil its responsibilities, Management provides the Board with management reports on a regular and timely basis, with relevant and adequate information prior to the Board meetings so that the Directors may better understand the matters and discussion may be focused on questions that the Directors may have. Directors are entitled to request from Management and should be provided with such additional information as needed to make informed decisions.

The Board also receives regular updates pertaining to the operational and financial performance of the Group from Management. Such updates enable the Directors to keep abreast of key issues and developments in the Group's core businesses as well as challenges and opportunities for the Group.

The Board also has separate and independent access to the Company Secretary and Management. In the Board meetings, the Chief Executive Officer ("**CEO**") will provide an update on the Group's business review and outlook. Furthermore, the Group Chief Financial Officer ("**CFO**") presents the financial highlights and performance. The Chairperson of each Board Committee will update the Board on any significant matters discussed at the Board Committees' meetings.

The Company Secretary attends all Board meetings and ensures that Board procedures are followed. The Company Secretary also ensures that the requirements under the Singapore Companies Act 1967 (the "**Companies Act**") and all other regulations of the SGX-ST are complied with. The Company Secretary also advises the Board on corporate and administrative matters, works with various service providers to facilitate orientations and assists with professional development as required.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

Subject to the approval of the CEO, the Directors may seek and obtain independent professional advice to assist them in their duties, at the expense of the Company.

BOARD COMPOSITION AND GUIDANCE

Principle 2: Strong and independence element on the Board

The Board exercises objective judgement on the corporate affairs of the Group independently from Management and its substantial shareholders. No individual or a small group of individuals dominate the decisions of the Board.

As at the date of this report, Non-Executive Directors make up a majority of the Board. The Board comprises two (2) Executive Directors, one (1) Non-Executive and Non-Independent Director and three (3) Independent Non-Executive Directors. The Independent Non-Executive Directors make up half of the Board and the Company notes that this composition is not in compliance with the Code's requirement whereby the Chairman of the meeting is part of Management and is not independent. The Non-Executive Directors make up a majority of the Board, thus providing a strong independence element on the Board and the Company has in place internal guidelines for matters requiring Board's approval. Therefore, no individual or a small group of individuals is in a position to dominate the Board's decision making.

The Board considered the Group's current size, scope and nature of operations of the Group, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board committees, especially in the current economic climate where cost considerations and agility of the Board in decision-making are critical to the Company. The Board is of the view that the Board composition has an appropriate level of independence and diversity of thought and background to enable it to make decisions in the best interest of the Group. Accordingly, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 2 of the Code. The NC is of the view that the current Board is of an appropriate size, and comprises directors who as a group, provide the appropriate level of independence, diversity of thought and mix of skills, knowledge, experience, and are sufficiently diverse to avoid groupthink and foster constructive debate. Further, the Chairman of the meeting declared that he will abstain from exercising his casting vote as provided for in the Company's Constitution.

Executive Directors

Koh Wee Seng	Chief Executive Officer
Koh Lee Hwee	Executive Director

Non-Executive Directors

Wong Soon Yum	Lead Independent Director
Kau Jee Chu	Independent Non-Executive Director
Ng Bie Tjin @ Djuniarti Intan	Independent Non-Executive Director
Ko Lee Meng	Non-Executive and Non-Independent Director

The Board considers a Director as "independent" (as defined in Practice Guidance 2) if the Director has no relationship with the Company, the Company's related corporations, the five percent (5%) shareholders or the Company's officers, that could interfere, or be reasonably perceived to interfere, with the exercise of that Director's independent business judgement with a view to the best interests of the Company.

The independence of each Director is reviewed annually by the NC. The NC adopts the definition in the Code and Listing Manual of the SGX-ST of what constitutes an Independent Director in its review. The NC has reviewed and determined that Mr Wong Soon Yum, Mr Kau Jee Chu, and Ms Ng Bie Tjin @ Djuniarti Intan are independent. After taking into account the views of the NC, the Board is of the view that the Directors concerned remain independent of character and judgement and there were no relationships or circumstances which were likely to affect, or could appear to affect, the Directors' judgement.

For FY2022, the Independent Directors (namely Mr Wong Soon Yum, Mr Kau Jee Chu, and Ms Ng Bie Tjin @ Djuniarti Intan) have confirmed that they or their immediate family members do not have any relationship with the Company or any of its related corporations, its five percent (5%) shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement with a view to the best interests of the Company, and do not fall under any of the circumstances pursuant to Rule 210(5)(d)(i) and (ii) of the Listing Manual of the SGX-ST.

BOARD COMPOSITION AND GUIDANCE (CONTINUED)

Principle 2: Strong and independence element on the Board (Continued)

The Board recognises that Independent Directors may over time develop significant insights in the Group's business and operations and can continue to provide noteworthy and valuable contribution objectively to the Board as a whole. The independence of the Independent Directors must be based on the substance of their professionalism, integrity, and objectivity, and not merely based on form; such as the number of years which they have served on the Board.

The Board has a diversity policy which requires the NC to review the Board's diversity in skills, industry, business experience, gender, age, ethnicity and other attributes among the Directors, with the objective of bringing to the Board different perspectives, experiences and competencies. The Directors consider the Board's present size of six (6) members and composition appropriate to facilitate effective decision making, taking into account the nature and scope of the Group's operations, the wide spectrum of skills and knowledge of the Directors and gender diversity of the Board. The Directors on the current Board have professional expertise and competency in their respective fields in banking, finance, accounting and real estate. The Board is of the view that diversity is important to enhance the Board's effectiveness as it provides unique insights and more effective decision-making. Gender is an important aspect of diversity. The Board has an equal proportion of male and female directors, given that three (3) out of six (6) members are female.

The Independent Non-Executive Directors participate actively in the Board meetings. Their professional expertise and competency in their respective fields in banking, finance and accounting provide constructive advice and guidance for effective discharge by the Board of the Group's strategies and business affairs.

The Independent Non-Executive Directors would also constructively challenge and help develop proposals on the Group's business strategy and review the performance of Management in meeting agreed goals and objectives as well as monitoring the reporting of performance.

Where necessary, the Independent Non-Executive Directors meet and discuss the Group's affairs without the presence of Management. The Company would make available its premises for use by the Non-Executive Directors to meet without the presence of Management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: Clear division of responsibilities and balance of power and authority

The Company currently does not have an independent Chairman to preside over the Board. All Board meetings are usually chaired by the Company's CEO, Mr Koh Wee Seng. The Board is of the opinion that the process of decision making by the Board has been independent and has been based on collective decisions without any individual exercising any considerable concentration of power or influence. All Directors ensure that they have collectively taken decisions in the interests of the Company.

As Chairman of the meeting, Mr Koh is responsible for:

- leading the Board to ensure its effectiveness;
- setting the agenda for Board meetings and to ensure adequate time for discussion;
- promoting openness and discussion during the Board meetings;
- ensuring that Directors receive complete, adequate and timely information;
- ensuring effective communication with the shareholders;
- encouraging constructive relations within the Board and between the Board and Management;
- facilitating effective contributions of all Directors; and
- promoting high standards of corporate governance.

As the CEO of the Company, he oversees the day-to-day management, leads and implements all major initiatives (such as expansion related strategies, acquisitions and capital investments of the Group), and plays an instrumental role in the sustainable development and growth of the Group's businesses.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CONTINUED)

Principle 3: Clear division of responsibilities and balance of power and authority (Continued)

In line with the Code's recommendation, the Board has appointed Mr Wong Soon Yum, an Independent Non-Executive Director, as the Lead Independent Director since the Chairman of the meeting and the CEO are the same person. Where the normal communication channels to the CEO or the CFO have failed, the Lead Independent Director makes himself available to shareholders to share their concerns or resolve such problems.

Where necessary, the Lead Independent Director shall lead the meetings among the Independent Non-Executive Directors without the presence of the other Directors, including situations where the Chairman of the meeting is conflicted. The Lead Independent Director shall provide feedback to the Chairman of the meeting after such meetings, where necessary.

BOARD MEMBERSHIP

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board

The NC comprises the following four (4) members, three (3) of whom, including the Chairman, are Independent Non-Executive Directors:

Kau Jee Chu	Chairman	Independent Director
Wong Soon Yum	Member	Lead Independent Director
Ng Bie Tjin @ Djuniarti Intan	Member	Independent Director
Koh Wee Seng	Member	Executive Director

The NC carries out its duties in accordance with a set of written terms of reference which includes, mainly, the following:

- reviewing, assessing, making recommendations to the Board on the appointment of all Directors, including making recommendations on the composition of the Board (taking into account Rule 210(5)(c) of the Listing Manual of the SGX-ST and Provisions 2.1 to 2.4 of the Code, progressive renewal of the Board, each Director's qualifications, competency, the number of other listed company board representations and whether he/she is independent);
- reviewing the structure, size and composition (including the skills, gender, age, qualification, experience and diversity) of the Board and Board Committees (taking into account Rule 210(5)(c) of the Listing Manual of the SGX-ST and Provisions 2.1 to 2.4 of the Code). The NC shall make recommendations to the Board with regard to any adjustments that may be deemed necessary;
- reviewing, assessing and recommending nominee(s) or candidate(s) for re-appointment or re-election to the Board and to consider his/her competencies, experience, knowledge, gender, age, skills in relation to the needs of the Board, commitment, contribution, performance and whether or not he/she is independent, will add diversity to the Board and will likely to have adequate time to discharge his/her duties;
- making plans for succession, in particular for the Chairman of the Board, the Directors, CEO and key management personnel ("**KMP**") of the Company;
- determining, on an annual basis, if a Director is independent bearing in mind the circumstances set forth in Rules 210(5)(d)(i), (ii), and (iii) of the Listing Manual of the SGX-ST and Provision 2.1 of the Code. If the NC determines that a Director, who has one or more relationships mentioned under Rules 210(5)(d)(i), (ii), and (iii) of the Listing Manual of the SGX-ST and Provision 2.1 of the Code, can be considered independent, the NC should provide its views to the Board for the Board's consideration. Conversely, the NC has the discretion to determine that a Director is non-independent even if the said Director does not fall under the circumstances set forth under Rules 210(5)(d)(i), (ii), and (iii) of the Listing Manual of the SGX-ST and Provision 2.1 of the Code. It shall also similarly provide its views to the Board for the Board's consideration;
- recommending Directors who are retiring by rotation to be put forward for re-election;
- deciding whether or not a Director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly when he/she has multiple board representations, and/or other principal commitments;
- recommending to the Board internal guidelines to address the competing time commitments faced by Directors who serve on multiple boards and the maximum number of listed company board representations which any Director may hold;
- assessing the effectiveness of the Board as a whole, and Board Committees and the contribution of each individual Director to the effectiveness of the Board;

BOARD MEMBERSHIP (CONTINUED)

Principle 4: Formal and transparent process for the appointment and re-appointment of Directors to the Board (Continued)

- recommending to the Board the development of a performance evaluation framework and deciding how the performance of the Board may be evaluated and proposing objective performance criteria. The Chairman of the NC should act on the results of the performance evaluation, recommend areas that need improvement and, where appropriate, propose new members be appointed to the Board or seek the resignation of Directors, in consultation with the NC;
- recommending to the Board appropriate comprehensive induction training programmes for new Directors and to identify and develop training and professional development programmes for the Board to keep the Board apprised of relevant new laws, regulations and changing commercial risks, and assist with similar programme for the Board Committees; and
- reviewing and ensuring that there is a clear division of responsibilities between the Chairman and CEO of the Company in place.

In its selection of new Directors, the NC reviews the composition of the Board and identifies the skill sets which will enhance the Board's overall effectiveness. Potential candidates are identified from various sources. The Board conducts an initial assessment to review the candidate's qualifications, attributes and past experiences followed by interviewing short-listed candidates. The proposed candidate's independence, expertise, background and right skills will be considered before the Board makes its final decision on the appointment.

For re-appointment of Directors to the Board, the Board will take into consideration, amongst others, the Director's integrity, competencies, independence, commitment, contribution and performance (such as attendance, participation, preparedness and candour). Further information on the independence of the Directors can be found under the section entitled "Board Matter - Board Composition and Guidance" of this Annual Report.

The NC ensures that new directors are aware of their duties and obligations. Information in respect of the academic and professional qualification, major appointments, and present and past directorships is set out in the "Board of Directors" section of this report. For FY2022, the Board is of the view that all Directors have been able to and have adequately carried out their duties as Directors notwithstanding their other listed company board representations and other principal commitments. Having reviewed each Director's attendance, participation, contribution, expertise and competing time commitments, the Board (with the NC's concurrence) is of the view that none of the Directors holds a significant number of directorships and other principal commitments that may impede his/her ability to discharge his/her duties. The Board further notes that none of the Directors hold six (6) or more listed company directorships. Further information on multiple directorships can be found under the section entitled "Board Matter - The Board's Conduct of Affairs" of this Annual Report.

BOARD PERFORMANCE

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board

The NC determines the criteria on which Board performance is to be evaluated and, subject to the approval of the Board, proposes objective performance criteria which address how the Board has enhanced long-term shareholders' value. The NC will continue to review formal assessment processes for evaluating Board performance, as well as the contribution of individual Director to the effectiveness of the Board. Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his/her performance or re-nomination as Director.

For FY2022, the Directors participated in the evaluation by providing feedback to the NC in the form of completing a Board performance evaluation questionnaire which covers several parameters such as Board composition, conduct of meetings, Board process, Board accountability, risk management, measuring and monitoring performance as well as communication with shareholders. The assessment results are presented to the Board by the NC and follow-up actions are taken to address any areas for improvement.

BOARD PERFORMANCE (CONTINUED)

Principle 5: Formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board (Continued)

The assessment parameters for each Director include their knowledge and abilities, attendance records at the meetings of the Board and Board Committees, and the intensity and quality of participation at meetings. The NC and the Board have relied on the abovementioned parameters to evaluate the Directors' contribution individually and have taken such evaluation into consideration for the re-nomination of the Directors.

The Company's Constitution requires at least one-third (1/3) of the Directors (apart from the CEO) to retire by rotation and be subject to re-election at every AGM of the Company and Rule 720(5) of the Listing Manual of the SGX-ST requires all Directors to submit themselves for re-nomination and re-appointment at least once every three (3) years. The Board, with the recommendation of the NC, has nominated Ms Ko Lee Meng and Mr Kau Jee Chu, who are retiring pursuant to Regulation 104 of the Company's Constitution and/or Rule 720(5) of the Listing Manual of the SGX-ST, for re-election as Directors at the forthcoming AGM of the Company. Mr Kau Jee Chu, who is retiring pursuant to Regulation 104 of the Company's Constitution, has advised that he will not be seeking re-election as a Director of the Company at the forthcoming AGM. Upon his retirement, Mr Kau Jee Chu will also step down as the Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee.

The Company has complied with Rule 720(6) of the Listing Manual of the SGX-ST as the information relating to the re-elected Directors is set out under the section entitled "Additional Information on Directors Nominated For Re-election - Appendix 7.4.1" of this Annual Report.

The Company does not have any alternate Directors.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors

The RC comprises the following four (4) Directors who are all Non-Executive Directors and three (3) of whom, including the Chairman, are Independent Non-Executive Directors:

Ng Bie Tjin @ Djuniarti Intan	Chairman	Independent Director
Wong Soon Yum	Member	Lead Independent Director
Kau Jee Chu	Member	Independent Director
Ko Lee Meng	Member	Non-Executive Director

The RC carries out its duties in accordance with a set of written terms of reference which includes, mainly, the following:

- reviewing and submitting a general framework of remuneration for endorsement by the entire Board, which is used to determine the specific remuneration packages and terms of employment for each of the Directors (including the CEO), KMP and any other employees related to the Executive Directors and controlling shareholders of the Group which are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company;
- ensuring that a significant and appropriate proportion of Executive Directors' and KMP's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company;
- reviewing the remuneration of employees related to the Directors, CEO or substantial shareholders, if any, to ensure that their remuneration packages are in line with staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- ensuring that the remuneration of the Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities;

REMUNERATION MATTERS (CONTINUED)

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES (CONTINUED)

Principle 6: Formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors (Continued)

- ensuring that the contractual terms and any termination payments are fair to the individual and the Company;
- setting performance measures and determining targets for any performance-related pay schemes, as necessary, that are operated by the Company;
- reviewing and submitting its recommendations for endorsement by the entire Board, share-based incentives or awards or any long term incentive schemes which may be set up from time to time, in particular, to review whether Directors and KMP should be eligible for such schemes and also to evaluate the costs and benefits of such schemes and to do all acts necessary in connection therewith; and
- reviewing the ongoing appropriateness and relevance of the Company's remuneration policy (including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind) and other benefit programmes (where appropriate).

As part of its review, the RC shall take into consideration:

- that the remuneration packages should be comparable within the industry and in comparable companies and shall include a performance-related element coupled with appropriate and meaningful measures of assessing individual Director's and KMP's performance. A significant and appropriate proportion of Executive Directors' and KMP's remuneration should be structured so as to link rewards to corporate and individual performance;
- that the remuneration packages of employees related to Executive Directors and substantial or controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibility;
- that the level and structure of remuneration should be aligned with the long-term interests and risk policies of the Company and Provisions 7.1 to 7.3 of the Code; and
- that the Company's obligations arising in the event of termination of the Executive Directors' and KMP's contracts of service contain fair and reasonable termination clauses.

The RC ensures that a formal and transparent procedure is in place for determining the remuneration packages of individual Directors and KMP. All aspects of remuneration including, but not limited to, Directors' fees, salaries, allowances, bonuses and other benefits-in-kind are reviewed by the RC. The recommendations of the RC are submitted for endorsement by the Board. None of the members of the RC or any Director is involved in deciding his/her own remuneration package.

While none of the RC members specialises in the field of executive remuneration, they do possess general knowledge in this area. The RC will engage professional advice in relation to remuneration matters as and when the need arises. The RC will ensure that existing relationships between the Company and its appointed remuneration consultant, if any, will not affect the independence and objectivity of the remuneration consultants.

The Company's remuneration policy is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate Directors and KMP of the required experience and expertise. Service agreements for Executive Directors are for a fixed appointment period and do not contain onerous removal clauses. The RC reviews the fairness and reasonableness of termination clauses of the service agreements of the Executive Directors and KMP to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance. There are no termination, retirement and post-employment benefits granted over and above what has been disclosed. None of the Non-Executive Directors have service agreements with the Company.

LEVEL AND MIX OF REMUNERATION

Principle 7: Level of remuneration of Directors should be appropriate but not excessive

The remuneration of employees related to Executive Directors and controlling shareholders of the Group will be reviewed annually by the RC to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increments and/or promotions for these related employees will also be subject to the review and approval of the RC. In the event that a member of the RC is related to the employee under review, he/she will abstain from participating in the review.

The remuneration packages of the Executive Directors and the KMP comprise a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and their individual performance. The performance-related component of the remuneration package is designed to align the interests of the Executive Directors with those of the shareholders and link rewards to the Group's financial performance.

Directors' fees are set in accordance with a remuneration framework based on the level of responsibility and scope of work. The Non-Executive Directors are paid fixed Directors' fees appropriate to their level of contribution, taking into account factors such as effort and time spent, and their responsibilities on the Board and the Board Committees. The Independent Non-Executive Directors have not been over-compensated to the extent that their independence is compromised. The fees to Independent Non-Executive Directors are subject to shareholders' approval at the AGMs of the Company. The Board has endorsed the remuneration framework.

The Company does not have contractual provisions to allow the Group to reclaim incentive components of remuneration from the Executive Directors and KMP in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Company should be able to avail itself to remedies against the Executive Directors and KMP in the event of such breach of fiduciary duties.

DISCLOSURE ON REMUNERATION

Principle 8: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration

The Board has not included a separate annual remuneration report to shareholders in the Annual Report on the remuneration of Directors and the top five (5) KMP (who are not Directors or the CEO of the Company) as the Board is of the view that the matters which are required to be disclosed in such annual remuneration report have already been sufficiently disclosed in this report and in the financial statements of the Company.

Notwithstanding that it is a variation from Provision 8.1 of the Code, the Company wishes to disclose the remuneration of the Directors in bands of S$250,000 for FY2022. The Company is of the view that the intent of Principle 8 was met, as the remuneration policies and the procedure for setting remuneration applicable to the Executive Director/CEO and the KMP are described above, and the level and mix of remuneration is disclosed in the table below.

Disclosure on Directors' Fees and Remuneration

A breakdown of the level and mix of the remuneration payable to each individual Director for FY2022 are as follows:

		FY2022			
Remuneration Band	**Director**	**Salary (including CPF) (%)**	**Bonus, profit sharing (%)**	**Fee (%)**	**Other Benefits (%)**
S$250,000 to below	Koh Wee Seng	61	34	5	–
S$500,000	Koh Lee Hwee	61	34	5	–
Below S$250,000	Wong Soon Yum	–	–	100	–
	Kau Jee Chu	–	–	100	–
	Ng Bie Tjin @ Djuniarti Intan	–	–	100	–
	Ko Lee Meng	–	–	100	–

DISCLOSURE ON REMUNERATION (CONTINUED)

Principle 8: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration (Continued)

Remuneration of KMP (who are not Directors or the CEO)

The Board has reviewed the disclosure of the remuneration of the Directors and KMP (who are not Directors or the CEO of the Company) and has decided not to disclose the name and remuneration details of the KMP and remuneration of the Directors as the Board believes that such disclosure may be prejudicial to its businesses given the competitive business environment and bring about disadvantages in relation to staff retention. In addition, in view of the confidentiality and sensitivity on remuneration matters as well as the competitive business environment the company operate in, the Board believes that such disclosure may be prejudicial to its businesses and harm its commercial interests.

The remuneration of the top five (5) KMP comprises both fixed and variable components. Fixed component is in the form of fixed monthly salary whereas variable component is linked to the performance of the Group's businesses and individual performance.

A breakdown of the level and mix of the remuneration payable to each top five (5) KMP for FY2022 are as follows:

		FY2022		
Remuneration Bands	**No. of KMP**	**Salary (including CPF)**	**Bonus, profit sharing**	**Other Benefits**
		%	**%**	**%**
S$750,000 to below S$1,000,000	1	38	62	–
S$500,000 to below S$750,000	1	64	36	–
S$250,000 to below S$500,000	3	73	27	–

The total remuneration paid to the above five (5) KMP was S$2,635,808 for FY2022.

Mr Ng Sheng Tiong ("**Mr Ng**") is an Executive Director and Chief Executive Officer of World Class Global Pte. Ltd. (formerly known as World Class Global Limited), a subsidiary of the Company. He is the husband of Ms Koh Lee Hwee and brother in-law of Mr Koh Wee Seng. The remuneration of Mr Ng fell within the band of S$250,000 and S$500,000. The Company is not disclosing Mr Ng's remuneration in band no wider than S$100,000 to ensure that it is consistent with the disclosure in previous years. Save as disclosed, there are no other employees of the Group who are substantial shareholders of the Group, or are immediate family members of the Directors or the CEO or a substantial shareholder of the Group, and whose remuneration exceeds S$100,000 during FY2022.

After taking into account the reasons for non-disclosure stated above, the Board is of the view that the current disclosure of the remuneration presented herein in this report is sufficient to provide shareholders information on the Group's remuneration policies, as well as the level and mix of remuneration. The Board has determined that there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation. Accordingly, the Board believes that the existing practices adopted by the Company are consistent with the intent of Principle 8 of the Code.

DISCLOSURE ON REMUNERATION (CONTINUED)

Principle 8: Clear disclosure of remuneration policy, level and mix of remuneration, and procedure for setting remuneration (Continued)

Share-Based Incentive Plan

The Aspial Performance Share Plan (the "**Performance Share Plan**") and Aspial Subsidiary Performance Share Plan 2022 (the "**Subsidiary Performance Share Plan**") approved by the shareholders of the Company at the extraordinary general meeting held on 26 April 2017 and 29 April 2022 respectively. The Performance Share Plan and Subsidiary Performance Share Plan are administered by the RC. The names of the members of the RC are stated above.

The objectives of the Performance Share Plan and Subsidiary Performance Share Plan are to give recognition to employees for their past contributions and services and to motivate them to contribute towards the Group's long-term growth and prosperity. Participation in the Performance Share Plan and Subsidiary Performance Share Plan are open to all employees of the Group, including the Executive Directors and the Non-Executive Directors of the Company. Any awards that may be granted to any Non-Executive Directors would be intended as a token of the Company's appreciation.

During FY2022, performance share awards granted were based on the terms of the Subsidiary Performance Share Plan. A total of 3,794,500 shares were granted to its employees under the Subsidiary Performance Share Plan. No awards were granted to the Directors of the Group.

ACCOUNTABILITY AND AUDIT RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: Sound system of risk management and internal controls

The AC reviews the Group's financial controls and risk management policies and processes, and based on its assessment and reports of the internal and external auditors, the AC and the Board are assured that adequate internal controls are in place.

The Board has overall responsibility for the governance of risk and exercises oversight of the material risks of the Group. The Board determines the nature and extent of the material risks which the Board is willing to take in achieving its strategic objectives and value creation. The Company's Management recommends risk tolerance and strategy to the Board and where appropriate, reports and recommends to the Board for its determination on the nature and extent of significant risks which the Group may take in achieving its strategic objectives.

Management identifies and manages the risks of the Group. Management is responsible for the effective implementation of risk management strategy, policy and processes to ensure the achievement of business plans and goals within the risk tolerance established by the Board. The Board regularly reviews the Group's business and operational activities to identify areas of significant business risks. Appropriate measures are taken to assess, control and mitigate these risks. The process of risk management has been integrated into the Group's business planning and monitoring processes.

The internal audit function performs risk assessment and conducts the review of the effectiveness of the Group's material internal controls, including financial, operational and compliance controls, information technology controls and risk management systems. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the AC.

The Company's internal control systems serve as the key in identifying and managing risks that are significant to the achievement of its business objectives. The internal controls in place maintained by the Company's Management throughout the year and up to the date of this report provide reasonable, but not absolute, assurance against material financial misstatements or loss, and include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practice, and the identification and containment of business risk. The Board notes that no system of internal control could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

ACCOUNTABILITY AND AUDIT RISK MANAGEMENT AND INTERNAL CONTROLS (CONTINUED)

Principle 9: Sound system of risk management and internal controls (Continued)

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors and reviews performed by Management, the various Board Committees and the Board, the Board, with the concurrence of the AC is of the opinion that the Group's internal controls addressing the financial, operational, compliance risks, information technology controls and risk management systems are adequate and effective to meet the needs of the Group for the type and volume of businesses conducted in the current business environment. The Company has complied with Rule 1207(10) of the Listing Manual of the SGX-ST.

For FY2022, the AC had discussed with the Management and the external auditors on significant issues and assumptions that impact the financial statements. Key audit matters ("**KAM**") were reported by the external auditors and is set out under the section entitled "Independent Auditor's Report - Key Audit Matters" of this Annual Report. The AC reviewed the KAM and concurred and agreed with the external auditor and management on their assessment, judgements and estimates on the significant matters reported by the external auditor.

The Board has received assurance from:

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

(b) the CEO and KMP that they have evaluated the adequacy and effectiveness of the Group's risk management and internal controls and assessed the internal auditors' reports on the Group's operations and external auditors' reports on the financial statements and management letter and noted that there have been no significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise or report financial information. The Group's risk management and internal controls systems (including financial, operational, compliance and information technology controls) are in place and are adequate and effective.

AUDIT COMMITTEE

Principle 10: Establishment of Audit Committee with written terms of reference

The AC comprises the following four (4) Directors who are all Non-Executive Directors and three (3) of whom, including the Chairman, are Independent Non-Executive Directors, who have accounting related or financial management experience:

Wong Soon Yum	Chairman	Lead Independent Director
Kau Jee Chu	Member	Independent Director
Ng Bie Tjin @ Djuniarti Intan	Member	Independent Director
Ko Lee Meng	Member	Non-Executive Director

The Board is satisfied that the members of the AC are appropriately qualified to discharge their responsibilities. The Chairman of the AC, Mr Wong Soon Yum, and members Mr Kau Jee Chu and Ms Ng Bie Tjin @ Djuniarti Intan have accounting and financial management experience.

The Company has established an in-house Internal Audit Department which performs risk assessment and conducts the review of the effectiveness of the Group's Material internal controls, including financial, operational and compliance controls, information technology controls and risk management systems. The internal auditors have unfettered access to all company documents, records, properties, personnel and the AC and report findings and recommendations directly to the Chairman of the AC. The AC approves the appointment, termination, evaluation and remuneration of the head of internal audit function.

The internal audit function is independent of the activities it audits and carries out its activities in compliance with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

AUDIT COMMITTEE (CONTINUED)

Principle 10: Establishment of Audit Committee with written terms of reference (Continued)

The Board and the AC are of the opinion that the internal audit function is independent, effective and sufficiently resourced and has appropriate standing within the Company. Internal audits are performed by competent professional staff with relevant qualifications and experience. In order that their technical knowledge remains current and relevant, the Company identifies and provides training and development opportunities to the staff.

The AC reviews the activities of the internal audit on a regular basis, including overseeing and monitoring the implementation of the improvements required on internal control weaknesses identified. The AC reviews the adequacy and effectiveness of the internal audit function on an annual basis and is satisfied with its adequacy and effectiveness.

The AC meets on a semi-annual basis during the year. The AC carries out its duties in accordance with a set of written terms of reference which includes, mainly, the following:

- reviewing with the external auditors the audit plan and their evaluation of the system of internal accounting controls, their audit report, their management letter and Management's response;
- reviewing and reporting to the Board on the adequacy and effectiveness of the Company's internal controls and risk management systems in relation to financial reporting and other financial-related risk and controls (and to the extent delegated to it by the Board), and ensuring compliance with accounting standards, SGX-ST and statutory/regulatory requirements;
- ensuring that the Company has programmes and policies in place to identify and prevent fraud;
- overseeing the establishment and operation of the whistleblowing process in the Company;
- reviewing the financial reporting issues and judgements so as to ensure the integrity of periodic financial results and financial statements, and of announcements on the Company's financial performance and recommend changes, if any, to the Board;
- reviewing the assurance provided by the CEO and CFO that the financial records have been properly maintained, and that the financial statements give a true and fair view of the Company's operations and finances;
- meeting with external auditors and with the internal auditors without the presence of Management, at least annually, to discuss any issues and concerns they may have;
- reviewing the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external auditors annually and recommending the appointment/re-appointment of the external auditors, the audit fee and matters relating to the resignation or dismissal of the auditors. Where the auditors also supply non-audit services to the Company, the nature and extent of such services should be reviewed in order to balance the maintenance of objectivity and value for money, and to ensure that the independence of the auditors would not be affected;
- reviewing the internal audit programme and ensuring co-ordination between the internal and external auditors and Management;
- reviewing the adequacy, effectiveness, independence, scope and results of the Company's internal audit function;
- evaluating the effectiveness of both the internal and external audit efforts through regular meetings;
- ensuring that internal or external auditors has direct and unrestricted access to the Chairman of the AC and the Chairman of the Board;
- reviewing and discussing with the external auditors any suspected fraud and irregularity, or suspected infringement of any Singapore law, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and Management's response;
- reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- reviewing the interested person transactions falling within the scope of the Listing Manual of the SGX-ST including transactions that fall within the scope of Rule 912 (i.e. review and approval of proposed sale(s) of any units of property projects to the Company's interested persons and/or relatives of a Director, CEO or controlling shareholder) and related party transactions; and
- reviewing and approving the property development which are not meant for personal use for Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee[(1)].

Note:

*(1) This is following a review done by the Board in 2014 regarding the Group's procedures in relation to the conflict of interest. The Board resolved that Mr Koh Wee Seng, Ms Koh Lee Hwee and Ms Ko Lee Meng (collectively the "**Relevant Directors**") are allowed to purchase any property for investment and invest in any property companies so long as they are not the Directors of the property companies. However, for any property development which are not meant for personal use, the Relevant Directors must seek the AC's approval.*

AUDIT COMMITTEE (CONTINUED)

Principle 10: Establishment of Audit Committee with written terms of reference (Continued)

The AC has been given full access to Management and has reasonable resources to enable it to discharge its functions properly. The AC has full discretion to invite any Director or KMP to attend its meetings. The AC has full access to the external auditors and has met with them at least once during the calendar year without the presence of Management.

The AC has reviewed all the non-audit services provided by the external auditors and is satisfied that the provision of such services did not affect their independence.

The AC will undertake a review of the scope of services provided by the external auditors, the independence and the objectivity of the external auditors on an annual basis. Messrs Ernst & Young LLP, the external auditors of the Company, has confirmed that they are a Public Accounting Firm registered with the Accounting and Corporate Regulatory Authority and provided a confirmation of their independence to the AC. The AC had assessed the external auditors based on factors such as performance, adequacy of resources and experience of their audit engagement partner and audit team assigned to the Group's audit, given the size and complexity of the Group.

The Company has complied with Rules 712 and 715 (read with Rule 716) of the Listing Manual of the SGX-ST in appointing the audit firms for the Group. The AC and the Board confirmed that they are satisfied that the appointment of different auditors for its subsidiaries and significant associated companies and joint ventures does not compromise the standard and effectiveness of the audit of the Company. No former partner or director of the Company's existing auditing firm is a member of the AC (a) within a period of two (2) years commencing on the date of their ceasing to be a partner or director of the audit firm; or (b) hold any financial interest in the audit firm.

The AC has recommended that Messrs Ernst & Young LLP be nominated for re-appointment as the Company's auditors at the forthcoming AGM of the Company. A breakdown of the audit and non-audit fees paid to the external auditors can be fund under the section entitled "Notes to the Financial Statements - 8. Profit before tax" of this Annual Report.

The Company has put in place a whistleblowing policy, endorsed by the AC, where employees of the Company may in confidence, raise concerns about the wrongdoing or malpractice within the Group and ensure arrangements are in place for the independent investigations of such matters and for appropriate follow up actions. All concerns would be kept confidential. The Company is committed to ensuring that whistleblowers will be treated fairly, and protected against detrimental or unfair treatment for raising concerns in good faith. In order to facilitate whistle-blowing, details of the whistle-blowing policies, arrangements and communication channels have been made available to all employees on the Company's intranet which is accessible by all employees. There have been no incidents pertaining to whistleblowing in FY2022.

Any changes to accounting standards and issues which have a direct impact on the financial statements would be raised by the external auditors, keeping the AC members abreast of such changes.

SHAREHOLDERS RIGHTS AND ENGAGEMENT

Principle 11: Shareholders rights, conduct of general meetings and assessment of Company's performance, position and prospects

Principle 12: Engagement with shareholders

The Company does not have an Investor Relations Policy in place. However, the Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNet on timely manner, in line with the Group's disclosure obligations pursuant to the Listing Manual of the SGX-ST and the Companies Act. There is no dedicated investor relations team in place as the Board is of the view that the current communication channels are sufficient and cost-effective.

SHAREHOLDERS RIGHTS AND ENGAGEMENT (CONTINUED)

Principle 11: Shareholders rights, conduct of general meetings and assessment of Company's performance, position and prospects (Continued)

Principle 12: Engagement with shareholders (Continued)

The Board is mindful of the obligation to provide timely and fair disclosure of material information. The Board is accountable to the shareholders while the Management is accountable to the Board. The Management currently provides the Board with management accounts of the Group's position, performance and prospects on a quarterly basis and as and when deemed necessary, and the Board provides shareholders with an assessment of the Company's performance, position and prospects periodically via announcements of financial results and other ad-hoc announcements as required by the SGX-ST. The Board has taken adequate steps to ensure that there is compliance towards the legislative and regulatory requirements. The Board seeks the confirmation of the Company's legal advisors, if necessary, before deciding on significant matters.

Results and other material information are released through SGXNet on a timely basis for the dissemination to shareholders and public in accordance with the requirements of the SGX-ST. To ensure the fairness and effectiveness of the market, there is no selective disclosure of unpublished price-sensitive information. When there is inadvertent disclosure made to a selected group on a rare occasion, the information will be released to the public via SGXNet as promptly as possible.

Shareholders are informed of shareholders' meetings through the notice of general meeting released through SGXNet and the Company's website, within the same period. Reports and circulars are published on the Company's website. The results of the general meetings are also released on SGXNet on the same day.

All registered shareholders are invited to attend the general meetings to put forth any questions they may have on the motions to be debated and decided upon. All shareholders are entitled to vote in accordance with the established voting rules and procedures at the AGM. Each share is entitled to one vote. Matters which require shareholders' approval were presented and proposed as a separate resolution. The resolutions are not bundled or made inter-conditional on each other, unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the Company will explain the reasons and material implications in the notice of meeting. The Company practices having separate resolutions at general meetings for each distinct issue. Each item of special business in the notice of general meeting is accompanied by an explanatory note, where appropriate. Shareholders can download a copy of the proxy form from the SGXNet and the Company's website.

All Directors, the Management, the Company Secretary, external auditors and legal advisors (if necessary) attend the general meetings of the Company. The procedures of the general meetings provide shareholders the opportunity to ask questions relating to each resolution tabled for approval. Shareholders are encouraged to provide their views on matters relating to the Company. All Directors attended the AGM held on 29 April 2022. The Company's external auditors, EY, were also present at the AGM and were available to assist the Directors in addressing any relevant queries by the shareholders relating to the conduct of the audit and the preparation and content of the auditors' report.

Voting in absentia such as voting via mail, electronic mail or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of shareholders through the web is not compromised.

The forthcoming AGM to be held in respect of FY2022 ("**2023 AGM**"), will be convened and held physically at Aspial One, 55 Ubi Avenue 3 Level 1, Singapore 408864 on 28 April 2023. Shareholders will be able to raise questions and vote in person at the 2023 AGM. Arrangements relating to the attendance and voting at the 2023 AGM by shareholders or their duly appointed proxy(ies), are set out in the Notice of AGM and Proxy Form.

The Company Secretary prepares detailed minutes of the general meetings which include substantial and relevant comments or queries from shareholders relating to the agendas of the meetings, and responses from the Board and Management. These minutes are subsequently approved by the Board and make available to shareholders during office hours at the registered office. The minutes will be posted on the Group's website as soon as practicable. All material information relating to the Group is disclosed in an accurate and timely manner through publication on SGXNet and is made available to everyone, including the shareholders.

SHAREHOLDERS RIGHTS AND ENGAGEMENT (CONTINUED)

Principle 11: Shareholders rights, conduct of general meetings and assessment of Company's performance, position and prospects (Continued)

Principle 12: Engagement with shareholders (Continued)

For greater transparency, the Company will put all resolutions to vote by poll at general meetings and an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be made on the same day.

The Company currently does not have a fixed dividend policy. The form, frequency and amount of declaration and payment of future dividends that the Directors may recommend or declare in respect of any particular financial year or period will take into consideration the Group's retained earnings and expected future earnings, operations, cash flow, capital requirements and general financing condition, as well as general business conditions and other factors which the Directors may deem appropriate. The Company may declare final dividends by way of an ordinary resolution of the shareholders at a general meeting, but may not pay final dividends in excess of the amount recommended by the Directors. The declaration and payment of final dividends will be determined at the sole discretion of the Directors, subject to the approval of the shareholders. The Directors may also declare an interim dividend without the approval of the shareholders. Future dividends will be paid by the Company as and when approved by the Directors and the shareholders (if necessary). Any dividend payments are clearly communicated to shareholders via announcements on SGXNet.

Apart from the SGXNet announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website (www.aspial.com).

The Company prepares its financial statements in accordance with the Singapore Financial Reporting Standards (International) prescribed by the Accounting Standards Council. In presenting the annual financial statements and announcements of financial results, the Board ensures it has taken adequate steps to ensure compliance with the legislative and regulatory requirements including the Listing Manual of the SGX-ST. The Board also aims to provide shareholders with a balanced and understandable assessment of the Group's performance, financial position and prospect.

Management provides the Board with appropriate detailed management accounts of the Group's performance, position and prospect on a regular basis. The Board will update the shareholders on the financial positions and operations of the Company and the Group financial results announcements periodically as well as timely announcement of other matters required by the relevant rules and regulations.

MANAGING STAKEHOLDER RELATIONSHIPS

Principle 13: Engagement with stakeholders

The Group takes a strategic and pragmatic approach in managing stakeholders' expectations to support its long-term strategy. A sustainability governance structure and framework was put in place to identify, engage with, and manage material environment, social and governance factors which are important to stakeholders and to the Group.

The Group's sustainability efforts and performance will be discussed in more details in the separate sustainability report. The Group will publish its sustainability report via SGXNet and the Company's corporate website.

The Group maintains a website at www.aspial.com to communicate and engage with stakeholders.

DEALING IN SECURITIES

The Company has adopted an internal Code of Best Practice to provide to the Directors and all employees of the Group with regard to dealing in the Company's securities pursuant to Rule 1207(19) of the Listing Manual of the SGX-ST. During the financial year, the Company issues memos to its Directors, officers and employees prohibiting dealing in its shares commencing one (1) month before the announcement of half year and full year financial results and ending on the date of the announcement of the relevant results. Directors and employees are also advised against dealing in the securities when they are in possession of any unpublished material price-sensitive information of the Group at all times.

In addition, the Company discourages the Directors, KMP and employees of the Group from dealing in the Company's securities on short term considerations. The Group confirmed that it adhered to its Code of Best Practice for FY2022.

The guidelines on share purchase in accordance with the Share Purchases Mandate which will be renewed at the forthcoming AGM of the Company also provides that the Company will not repurchase any shares during the period commencing one (1) month before the announcement of the Company's half year and full year financial results and ending on the date of the announcement of the relevant results.

INTERESTED PERSON TRANSACTIONS

The Company has adopted an internal policy in respect of any transactions with interested persons and has set out the procedures for review and approval of the Company's interested person transactions ("**IPTs**"). All IPTs are subject to review by the AC when a potential conflict of interest arises and the Director concerned does not participate in discussions and refrained from exercising any influence over other members of the Board.

The aggregate value of IPTs above S$100,000 entered into during the financial year under review is 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$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)
Corporate charges		
Dynamic Project Management Services Pte. Ltd. ("**DPMS**")	An associate of the Company's controlling shareholder*	194
Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) ("**ALL**")		2,877
Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) ("**ALJG**")		600
AF Global Limited and its subsidiaries ("**AFG Group**")		488
Provision of an interest charged for the loan from WCL (QLD) Margaret St Pty. Ltd.		
WCL (QLD) Margaret St Pty. Ltd.	An associate of the Company's controlling shareholder*	298

INTERESTED PERSON TRANSACTIONS (CONTINUED)

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$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)
Extended the maturity date of 6.50 per cent. Notes due from 2023 to 2025 issued by the Company and revision of interest rate from 6.50 per cent. to 6.75 per cent.		
Mr Koh Wee Seng and his spouse	Controlling shareholder* and its associate	3,038
Ms Koh Lee Hwee		135
Ms Ko Lee Meng and her child		405
Madam Tan Su Lan		810
AFG Group		810
DN Global Pte. Ltd.		371
Extended the maturity date of 6.00 per cent. Notes due from 2022 to 2024 issued by Aspial Treasury Pte. Ltd., a wholly-owned subsidiary of the Company		
Mr Ng Sheng Tiong	An associate of the Company's controlling shareholder*	480
Global Premium Hotels Limited		7,080
Sales and purchase of jewellery		
ALL and its subsidiaries	An associate of the Company's controlling shareholder*	417
Provide management services to ALJG and Aspial International Pte. Ltd.		
ALL	An associate of the Company's controlling shareholder*	314
Disposal of the entire issued and paid-up share capital of (i) ALJG; (ii) Gold Purple Pte. Ltd.; and (iii) BU2 Services Pte. Ltd., to ALL		
ALL	An associate of the Company's controlling shareholder*	99,800
Lease of premises from AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.)		
DPMS	An associate of the Company's controlling shareholder*	143
ALL		1,530
AFG Group		149
ALJG		1,397
World Class Global Pte. Ltd. (formerly known as World Class Global Limited)		433
Provision of interest free loan		
Kengsington Village	An associate of the Company's controlling shareholder*	200

** The term "controlling shareholder" shall have the meaning ascribed to it in the SGX-ST Listing Manual*

INTERESTED PERSON TRANSACTIONS (CONTINUED)

For the purposes of Rules 905(2) and 906(1)(b) of the Listing Manual of the SGX-ST, the interested persons are treated as the same interested person and the transactions entered into between the Group and such interested persons are aggregated in determining whether the designated financial thresholds under Rules 905(2) and 906(1)(b) of the Listing Manual of the SGX-ST are triggered.

No IPT were conducted under the Company's IPT mandate for the year ended 31 December 2022.

MATERIAL CONTRACTS

Saved as disclosed above in the section entitled "Interested Person Transactions" and in the financial statements of the Company, there were no material contracts of the Group involving the interest of the CEO, Directors or controlling shareholders subsisting at the end of FY2022 or have been entered into since the end of the previous financial year.

BOARD OF DIRECTORS

Name and Age of Director	Appointment Position	Date of first appointment as a Director	Date of last re-election as a Director	Length of Service as a Director (as at 31 December 2022)	Board Committee(s) Served on	Present Directorships in other Listed Companies	Past Directorships in listed companies held over the preceding three years (from 1 January 2020 to 31 December 2022)	Academic and Professional Qualifications
Koh Wee Seng	Group Chief Executive Officer	9 October 1989	30 April 2021	33 years 3 months	Nominating Committee (member)	Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) AF Global Limited	World Class Global Limited (Delisted with effect from 30 July 2021)	Bachelor of Business Administration, National University of Singapore
Koh Lee Hwee	Executive Director	15 August 1988	30 April 2021	34 years 5 months	Nil	Aspial Lifestyle Limited	World Class Global Limited (Delisted with effect from 30 July 2021)	Bachelor of Arts, National University of Singapore
Ko Lee Meng	Non-Executive Director and Non-Independent Director	1 May 1987	12 June 2020	35 years 8 months	Audit Committee (member) Remuneration Committee (member)	Aspial Lifestyle Limited	Nil	Bachelor of Arts, National University of Singapore

BOARD OF DIRECTORS (CONTINUED)

Name and Age of Director	Appointment Position	Date of first appointment as a Director	Date of last re-election as a Director	Length of Service as a Director (as at 31 December 2022)	Board Committee(s) Served on	Present Directorships in other Listed Companies	Past Directorships in listed companies held over the preceding three years (from 1 January 2020 to 31 December 2022)	Academic and Professional Qualifications
Wong Soon Yum	Lead Independent and Non-Executive Director	27 May 1999	29 April 2022	23 years 8 months	Audit Committee (Chairman) Nominating Committee (member) Remuneration Committee (member)	Nil	Nil	Professional Diploma in Accountancy, Singapore Polytechnic; Executive Programme, Stanford-National University of Singapore
Kau Jee Chu	Independent and Non-Executive Director	1 November 2002	30 April 2021	20 years 2 months	Nominting Committee (Chairman) Audit Committee (member) Remuneration Committee (member)	Nil	Nil	Bachelor in Accounting, National University of Singapore
Ng Bie Tjin @ Djuniarti Intan	Independent and Non-Executive Director	20 January 2014	29 April 2022	8 years 11 months	Remuneration Committee (Chairman) Audit Committee (member) Nominting Committee (member)	SunMoon Food Company Limited	Nil	Masters in Business Administration, University of Southern California

FINANCIAL REPORT

35 DIRECTORS' STATEMENT

38 INDEPENDENT AUDITOR'S REPORT

44 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

45 STATEMENTS OF FINANCIAL POSITION

47 STATEMENTS OF CHANGES IN EQUITY

50 CONSOLIDATED STATEMENT OF CASH FLOWS

52 NOTES TO THE FINANCIAL STATEMENTS

Australia 108 by World Class Global

DIRECTORS' STATEMENT

The directors hereby present their statement to the members together with the audited consolidated financial statements of Aspial Corporation Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2022.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date, 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.

Directors

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

Koh Wee Seng
Koh Lee Hwee
Ko Lee Meng
Wong Soon Yum
Kau Jee Chu
Ng Bie Tjin @ Djuniarti Intan

In accordance with Regulation 104 of the Company's Constitution, and/or Rule 720(5) of the Listing manual of the Singapore Exchange Securities Trading Limited, Ko Lee Meng and Kau Jee Chu are eligible for re-election by the shareholders at the forthcoming annual general meeting (the "**AGM**"). Ko Lee Meng had offered herself for re-election as a Director of the Company. Kau Jee Chu will retire at the forthcoming AGM and does not wish to seek for re-election as a Director of the Company.

Arrangements to enable directors to acquire shares or debentures

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

Directors' interest in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in the shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest held by directors *			Other shareholdings in which directors are deemed to have an interest		
	1 January 2022	31 December 2022	21 January 2023	1 January 2022	31 December 2022	21 January 2023
The Company						
Aspial Corporation Limited						
Ordinary shares						
Koh Wee Seng	406,595,923	406,595,923	403,595,923	1,166,083,944	1,166,083,944	1,166,083,944
Koh Lee Hwee	30,890,888	30,890,888	30,890,888	1,204,402,032	1,204,402,032	1,204,402,032
Ko Lee Meng	33,639,865	33,639,865	33,639,865	1,161,736,475	1,161,736,475	1,161,736,475
Ng Bie Tjin @ Djuniarti Intan	1,105,200	1,105,200	1,105,200	–	–	–
Holding company						
MLHS Holdings Pte. Ltd.						
Ordinary shares						
Koh Wee Seng	1,410,000	1,410,000	1,410,000	–	–	–
Koh Lee Hwee	727,500	727,500	727,500	–	–	–
Ko Lee Meng	772,500	772,500	772,500	–	–	–
Subsidiaries						
WCL (QLD) Margaret St Pty. Ltd.						
Ordinary shares						
Koh Wee Seng	5,100,000	5,100,000	5,100,000	16,575,000	16,575,000	16,575,000
Koh Lee Hwee	–	–	–	19,125,000	19,125,000	19,125,000
Ko Lee Meng	1,275,000	1,275,000	1,275,000	16,575,000	16,575,000	16,575,000
Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.)						
Ordinary shares						
Koh Wee Seng	111,434,121	112,684,121	107,684,121	667,724,757	975,586,698	975,586,698
Koh Lee Hwee	28,196,664	28,196,664	28,196,664	674,828,251	982,690,192	982,690,192
Ko Lee Meng	17,581,376	17,581,376	17,581,376	668,906,251	976,768,192	976,768,192
World Class Land Pte. Ltd.						
Ordinary shares						
Koh Wee Seng	250,000	250,000	250,000	4,500,000	4,500,000	4,500,000
Koh Lee Hwee	–	–	–	4,500,000	4,500,000	4,500,000
Ko Lee Meng	–	–	–	4,500,000	4,500,000	4,500,000
Associate						
AF Global Limited						
Ordinary shares						
Koh Wee Seng	8,629,075	8,629,075	8,629,075	441,857,365	441,857,365	441,857,365
Koh Lee Hwee	182,000	182,000	182,000	440,948,535	440,948,535	440,948,535
Ko Lee Meng	4,761,280	4,761,280	4,761,280	441,593,335	441,593,335	441,593,335

* Including interest in nominee account

Directors' interest in shares or debentures (Continued)

By virtue of Section 7 of the Singapore Companies Act 1967, Koh Wee Seng, Koh Lee Hwee and Ko Lee Meng are deemed to have an interest in the shares of all the subsidiaries to the extent held by the Company.

At the beginning of the financial year, Koh Wee Seng, Koh Lee Hwee and Ko Lee Meng held medium-term notes of the Company and its subsidiaries aggregating $40,250,000, $4,750,000 and $12,250,000 respectively. As at the end of the financial year, Koh Wee Seng, Koh Lee Hwee and Ko Lee Meng held medium-term notes aggregating $40,250,000, $4,750,000 and $6,500,000 respectively. The medium-term notes aggregating to $32,000,000, 18,250,000 and $1,250,000 bear fixed interest rates of 6.15%, 6.50%/6.75% and 6.05% per annum and are due in 2024, 2025 and 2025 respectively. Except for Koh Wee Seng and Koh Lee Hwee, who held medium-term notes aggregating $40,000,000 and $4,500,000 as at 21 January 2023, there is no change in the medium-term notes held by the other directors as at 21 January 2023.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

Options

No options were issued by the Company during the financial year. As at 31 December 2022, there are no options on the unissued shares of the Company or any other body corporate which were outstanding.

Audit committee

The Audit Committee performed the functions in accordance with Section 201B (5) of the Singapore Companies Act 1967. The functions performed are detailed in the Corporate Governance Report.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:

Koh Wee Seng
Director

Koh Lee Hwee
Director

Singapore
29 March 2023

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aspial Corporation Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the statements of financial position of the Group and Company as at 31 December 2022, statements of changes in equity of the Group and Company and the consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") Code of *Professional Conduct* and *Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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. For each matter below, our description of how our audit addressed each matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters (Continued)

Assessment of carrying values of development properties, properties held for sale and hotel properties included in property, plant and equipment

As at 31 December 2022, the Group's development properties, properties held for sale and hotel properties included in property, plant and equipment amounted to $163,705,000, $221,769,000 and $68,542,000 respectively, which in aggregate represented 28.1% of the Group's total assets. As at 31 December 2022, hotel properties are located outside of Singapore, whilst properties held for sale and development properties are located in and outside of Singapore.

For development properties located outside of Singapore, a significant proportion of these development properties relate to projects that are in planning phases and have not been launched or completed as at 31 December 2022. In ascertaining net realisable value ("**NRV**"), significant judgement is involved as management either needs to estimate the expected selling price and the estimated costs to complete construction based on the outlook of the future property market and economic conditions in the respective markets, or use external appraisers to support its determination of market prices.

For properties held for sale, in ascertaining NRV, significant judgement is involved as management either needs to estimate the expected selling price based on the current property market and economic conditions in the respective markets, or use external appraisers to support its determination of market prices.

For hotel properties, the Group follows the guidance in SFRS(I) 1-36 *Impairment of Assets* in determining whether it is necessary to recognise any impairment. Management exercises significant judgement in determining whether there is any indication that the hotel properties may be impaired. If there is any indication of impairment, significant judgement is involved as management needs to estimate the recoverable amounts of these hotel properties based on the current property market and economic conditions in the respective markets, or use external appraisers to support its determination of market prices.

Given the magnitude of these assets and significant estimation uncertainty involved in determining the NRV of development properties, properties held for sale and hotel properties, we have identified the assessment of carrying values of development properties, properties held for sale and hotel properties as a key audit matter.

To address the risk of material misstatement relating to the carrying values of development properties, properties held for sale and hotel properties, our audit procedures included, amongst others, inquiry of management on the existence of any indicators that the NRV or recoverable amount are lower than their respective costs. We assessed the reasonableness of the estimated selling prices, taking into account market prices for similar properties in the respective markets, where applicable. We also performed sensitivity analysis on the recoverable value by simulating reasonable changes in the key assumptions in light of the increased estimation uncertainty in rapid changes in market and economic conditions. Where management used external appraisers to support its determination of estimated selling prices, we evaluated the objectivity, competence and capabilities of the appraisers. We also involved our internal real estate specialists in assessing the appropriateness of the valuation method and certain key assumptions used in the valuations.

In addition to the above procedures, in assessing the appropriateness of management's NRV assessment of the development properties and impairment assessment of the hotel properties, we performed procedures to evaluate the reasonableness of the estimated costs of completing the development properties and hotel properties under construction. We obtained an understanding of the Group's internal controls with respect to project budgeting and monitoring process and inquired with management on the development status of on-going and significant projects. We also examined documentation of the progress of material projects such as costs incurred to-date, estimated costs to complete and timing of completion.

Further, we assessed the adequacy of disclosures related to development properties, properties held for sale and hotel properties in Note 2.18 Development properties, Note 2.19 Properties held for sale, Note 2.10 Property, plant and equipment, Note 3.2(a) Estimation of net realisable value for development properties, Note 3.2(b) Estimation of net realisable value for properties held for sale, Note 3.2(c) Impairment of hotel properties, Note 19(a) Development properties, Note 19(b) Properties held for sale and Note 10 Property, plant and equipment to the financial statements.

Key audit matters (Continued)

Allowance for expected credit losses on pawnshop loans and interest receivables of the Group's financial service segment

Trade receivables, in particular pawnshop loans and interest receivables on pawnshop loans, are significant to the Group. The collectability of trade receivables is a key element of the Group's working capital management.

The Group uses a provision matrix to estimate the allowance for expected credit losses ("**ECLs**") on pawnshop loans and interest receivables on pawnshop loans. The key inputs of the Group's ECL model are the probability of default and loss given default. The Group has estimated the probability of default being the forfeiture of the customers' pledges based on historical non-redemption data of its pawnshop outlets and estimated future non-redemption rate on open pledges taking into account the current economic environment. The Group has estimated the loss given default as the amount of loss exposure at default after considering the expected realisable value of the customers' pledges.

Significant judgement and estimation are involved in using the historical non-redemption data to derive the probability of default, estimating the expected realisable value of customers' pledges as well as considering any forward-looking information. Accordingly, we have identified the Group's ECL assessment on pawnshop loans and interest receivables on pawnshop loans from the Group's pawnbroking segment as a key audit matter.

As part of our audit, we tested the reasonableness of the key inputs and assumptions used by the Group in the ECLs model which is largely dependent on the Group's historical loss experience and loan-to-valuation data. We reviewed and tested the overall process and key controls relating to the collection of non-redemption data used in the ECL model including checking the arithmetic accuracy of the probability of default. We also analysed historical trend of expected realisable value of the customers' pledges and considered forward-looking macroeconomic factors, taking into consideration the economic environment and external information, that may affect the recoverability of the pawnshop loans and related interest receivables. Furthermore, we assessed the adequacy of the disclosures related to trade receivables in Note 20 to the financial statements.

Existence of pledges, cash and inventories

We focused on pledges, cash and inventories as their total carrying amounts are material to the financial statements, and there is a higher inherent risk of theft and pilferage.

As part of our audit, we obtained an understanding of the internal controls with respect to the physical safeguards over pledges, cash and inventories. We tested selected internal controls over cash receipts and disbursements, bank reconciliation reviews and movement of inventories. We obtained bank confirmation and an understanding of management's monitoring of cash balances, including monitoring of outlet cash float, physical transfer of cash between outlets and head office, and reconciliation of outlet cash flows to pledge movements.

On a sample basis, we attended and observed surprise and planned outlet audits on daily cash counts, inventory counts and performed verification of pledges by taking a sample of pledges held on open pawn tickets and matched details of pledges to the physical pledges. We also attended the year-end inventory count and cash count conducted at head office.

We assessed the adequacy of the disclosures relating to cash and bank balances, trade receivables (which comprise mainly pawnshop loans related to pledges held as collateral) and inventories in Notes 23, 20 and 18 respectively, to the financial statements.

Key audit matters (Continued)

Valuation of investment properties

As at 31 December 2022, the Group's investment properties amounted to $142,462,000, which represented 8.8% of the Group's total assets. These investment properties are located in Singapore, Australia and Malaysia.

Management has engaged independent external appraisers to assist the Group in determining the fair values of these investment properties. Given the magnitude of these assets and the significant estimation uncertainties involved in determining the fair values of investment properties, we have identified the assessment of valuation of investment properties as a key audit matter. In addition, as disclosed and explained in more detail in Note 3.2(e) Valuation of investment properties, there was an increase in the level of estimation uncertainty in determining the fair value of the investment properties as at 31 December 2022 arising from rapid changes in market and economic conditions.

To address the risk of material misstatement relating to the valuation of investment properties, our audit procedures included, amongst others, updating our understanding of the process and key controls over the Group's valuation process. We reviewed management's valuation of the investment properties and assessed the appropriateness of the valuation methodology in accordance with the requirements of SFRS(I) 13 *Fair Value Measurement*, evaluated the objectivity and competency of the external appraiser and read the terms of engagement to determine whether there were any limitation in the scope of work or matters that might affect the objectivity of the external appraiser. In addition, we inquired with the external appraiser and obtained explanations to support the selection of valuation method, valuation adjustments made in light of the increased estimation uncertainty as well as the key assumptions including the indicative values of comparable properties and involved our internal real estate specialists in assessing the reasonableness of the valuation assumptions and inputs used by management as disclosed in Note 36(d) to the financial statements.

Further, we assessed the adequacy of disclosures related to investment properties in Note 2.11 Investment Properties, Note 3.2(e) Valuation of investment properties, Note 11 Investment Properties, in relation to the financial statements.

Other information

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

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

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional 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 financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tan Peck Yen.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
29 March 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

	Note	2022	2021
		$'000	$'000
Revenue	4	506,236	417,176
Materials and subcontract costs		(307,739)	(244,520)
Employee benefits	5	(67,749)	(62,793)
Depreciation and amortisation		(33,255)	(33,204)
Finance costs	6	(42,917)	(36,613)
Other operating expenses		(81,243)	(64,166)
Interest income		1,335	1,780
Rental income		5,936	6,757
Other income	7	14,817	21,559
Share of results of associates		1,108	521
Share of results of a joint venture		(34)	89
(Loss)/profit before tax	8	(3,505)	6,586
Income tax expense	28(a)	(8,241)	(3,931)
(Loss)/profit for the year		(11,746)	2,655
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net fair value changes on equity instruments at fair value through other comprehensive income ("**FVOCI**")		(1,107)	(2,379)
Share of other comprehensive income of an associate		(2,140)	211
Items that may be reclassified subsequently to profit or loss			
Net fair value changes on debt instruments at FVOCI		43	61
Net loss on cash flow hedge		(70)	–
Foreign currency translation		(12,775)	(8,889)
Share of other comprehensive income of associates		(2,366)	(2,226)
Other comprehensive income for the year, net of tax		(18,415)	(13,222)
Total comprehensive income for the year		(30,161)	(10,567)
(Loss)/profit for the year attributable to:			
Owners of the Company		(14,710)	(363)
Non-controlling interests		2,964	3,018
		(11,746)	2,655
Total comprehensive income attributable to:			
Owners of the Company		(32,151)	(12,689)
Non-controlling interests		1,990	2,122
		(30,161)	(10,567)
Loss per share (cent)			
Basic	9	(0.68)	(0.02)
Diluted	9	(0.68)	(0.02)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF
FINANCIAL POSITION
As at 31 December 2022

	Note	Group 2022 $'000	Group 2021 $'000	Company 2022 $'000	Company 2021 $'000
Non-current assets					
Property, plant and equipment	10	205,662	201,040	2	9
Investment properties	11	142,462	160,101	–	–
Intangible assets	12	10,898	9,444	102	157
Right-of-use assets	27(a)	84,566	80,245	–	–
Investment in subsidiaries	13	–	–	280,817	270,546
Investment in associates	14	117,144	123,239	76,529	76,529
Investment in a joint venture	15	685	718	–	–
Investment securities	17	4,183	6,185	–	–
Trade and other receivables	20	4,340	4,328	–	–
Prepayments		–	1	–	–
Deferred tax assets	28(c)	2,043	4,219	–	–
		571,983	589,520	357,450	347,241
Current assets					
Inventories	18	196,059	170,293	–	–
Development properties	19(a)	163,705	218,803	–	–
Properties held for sale	19(b)	221,769	238,166	–	–
Trade and other receivables	20	395,574	344,664	49	50
Prepayments		5,019	4,799	35	180
Due from subsidiaries (non-trade)	21	–	–	162,182	104,621
Due from associates	21	2,279	1,250	5	8
Due from a joint venture (non-trade)	21	–*	–*	–	–
Investment securities	17	3,620	4,668	–	–
Derivatives	22	754	1,100	–	–
Cash and bank balances	23	53,521	43,295	3,358	300
		1,042,300	1,027,038	165,629	105,159
Total assets		1,614,283	1,616,558	523,079	452,400
Current liabilities					
Trade and other payables	24	101,739	65,676	20,503	7,093
Due to immediate holding company (non-trade)	21	1,650	500	1,650	500
Due to subsidiaries (non-trade)	21	–	–	35,495	58,759
Due to an associate (non-trade)	21	117	2,370	–	–
Provision for taxation		17,306	16,315	243	62
Derivatives	22	1,525	–	–	–
Interest-bearing loans and borrowings	25	546,708	540,032	8,100	8,912
Lease liabilities	27(b)	22,550	23,572	–	–
Medium-term notes	26	–	115,250	–	–
		691,595	763,715	65,991	75,326
Net current assets		350,705	263,323	99,638	29,833

STATEMENTS OF
FINANCIAL POSITION
As at 31 December 2022

	Note	Group 2022	Group 2021	Company 2022	Company 2021
		$'000	$'000	$'000	$'000
Non-current liabilities					
Other payables	24	4,912	6,118	–	–
Interest-bearing loans and borrowings	25	170,879	186,559	–	–
Lease liabilities	27(b)	64,560	59,317	–	–
Medium-term notes	26	253,468	125,000	50,000	50,000
Deferred tax liabilities	28(c)	32,503	38,319	11	7
		526,322	415,313	50,011	50,007
Total liabilities		1,217,917	1,179,028	116,002	125,333
Net assets		396,366	437,530	407,077	327,067
Equity attributable to owners of the Company					
Share capital	29(a)	267,574	267,574	267,574	267,574
Treasury shares	29(b)	(1,704)	(1,482)	(1,704)	(1,482)
Other reserves	29(c)	(48,493)	(30,828)	913	913
Revenue reserves		94,900	117,464	140,294	60,062
		312,277	352,728	407,077	327,067
Non-controlling interests		84,089	84,802	–	–
Total equity		396,366	437,530	407,077	327,067
Total equity and liabilities		1,614,283	1,616,558	523,079	452,400

* Less than $1,000

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF
CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Note	Attributable to owners of the Company						
		Share capital	Treasury shares	Other reserves	Revenue reserves	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
At 1 January 2021		226,930	(1,781)	(4,009)	118,590	339,730	107,211	446,941
(Loss)/profit for the year		–	–	–	(363)	(363)	3,018	2,655
Other comprehensive income								
Net fair value changes on debt instruments at FVOCI		–	–	60	–	60	1	61
Net fair value changes on equity instruments at FVOCI		–	–	(2,389)	–	(2,389)	10	(2,379)
Foreign currency translation		–	–	(7,982)	–	(7,982)	(907)	(8,889)
Share of other comprehensive income of associates		–	–	(2,015)	–	(2,015)	–	(2,015)
Other comprehensive income for the year, net of tax		–	–	(12,326)	–	(12,326)	(896)	(13,222)
Total comprehensive income for the year		–	–	(12,326)	(363)	(12,689)	2,122	(10,567)
Contributions by and distributions to owners								
Dividend on ordinary shares - Cash and scrip dividends	30	–	–	–	(481)	(481)	–	(481)
Dividend paid to non-controlling interests of subsidiaries - Cash dividends		–	–	–	–	–	(8,292)	(8,292)
Ordinary shares issued under scrip dividends		4,304	–	–	–	4,304	–	4,304
Treasury shares reissued pursuant to Aspial Performance Share Plan	29(b)	–	299	(139)	–	160	–	160
Total contributions by and distributions to owners		4,304	299	(139)	(481)	3,983	(8,292)	(4,309)
Changes in ownership interests in subsidiaries								
Acquisition of non-controlling interests in a subsidiary without a change in control		36,340	–	(15,013)	–	21,327	(23,551)	(2,224)
Premium on dilution of interest in a subsidiary		–	–	506	–	506	(506)	–
Capital contribution from non-controlling interest		–	–	–	–	–	5,055	5,055
Change in ownership interests in subsidiaries without a change in control		–	–	153	(282)	(129)	2,763	2,634
Total changes in ownership interests in subsidiaries		36,340	–	(14,354)	(282)	21,704	(16,239)	5,465
Total transactions with owners in their capacity as owners		40,644	299	(14,493)	(763)	25,687	(24,531)	1,156
At 31 December 2021		267,574	(1,482)	(30,828)	117,464	352,728	84,802	437,530

STATEMENTS OF
CHANGES IN EQUITY
For the financial year ended 31 December 2022

	Note	Attributable to owners of the Company						
	Note	Share capital	Treasury shares	Other reserves	Revenue reserves	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
At 1 January 2022		267,574	(1,482)	(30,828)	117,464	352,728	84,802	437,530
(Loss)/profit for the year		–	–	–	(14,710)	(14,710)	2,964	(11,746)
Other comprehensive income								
Net fair value changes on debt instruments at FVOCI		–	–	43	–	43	–	43
Net fair value changes on equity instruments at FVOCI		–	–	(748)	–	(748)	(359)	(1,107)
Net loss on cash flow hedge		–	–	(49)	–	(49)	(21)	(70)
Foreign currency translation		–	–	(12,181)	–	(12,181)	(594)	(12,775)
Share of other comprehensive income of associates		–	–	(4,506)	–	(4,506)	–	(4,506)
Other comprehensive income for the year, net of tax		–	–	(17,441)	–	(17,441)	(974)	(18,415)
Total comprehensive income for the year		–	–	(17,441)	(14,710)	(32,151)	1,990	(30,161)
Contributions by and distributions to owners								
Dividend on ordinary shares - Cash dividends	30	–	–	–	(5,416)	(5,416)	–	(5,416)
Dividend paid to non-controlling interests of subsidiaries - Cash dividends		–	–	–	–	–	(5,516)	(5,516)
Purchase of treasury shares	29(b)	–	(222)	–	–	(222)	–	(222)
Total contributions by and distributions to owners		–	(222)	–	(5,416)	(5,638)	(5,516)	(11,154)
Changes in ownership interests in subsidiaries								
Acquisition of non-controlling interests in a subsidiary without a change in control		–	–	(1,239)	–	(1,239)	804	(435)
Premium on dilution of interest in a subsidiary		–	–	(2,425)	–	(2,425)	2,425	–
Change in ownership interests in subsidiaries without a change in control		–	–	1,002	–	1,002	(416)	586
Total changes in ownership interests in subsidiaries		–	–	(2,662)	–	(2,662)	2,813	151
Total transactions with owners in their capacity as owners		–	(222)	(2,662)	(5,416)	(8,300)	(2,703)	(11,003)
Others								
Transfer from foreign currency translation reserve to fair value adjustment reserve and revenue reserve		–	–	2,438	(2,438)	–	–	–
Total others		–	–	2,438	(2,438)	–	–	–
At 31 December 2022		267,574	(1,704)	(48,493)	94,900	312,277	84,089	396,366

CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Note	Share capital	Treasury shares	Other reserves	Revenue reserves	Total equity
		$'000	$'000	$'000	$'000	$'000
Company						
At 1 January 2021		226,930	(1,781)	1,052	47,715	273,916
Profit for the year, representing total comprehensive income for the year		–	–	–	12,828	12,828
Contributions by and distributions to owners						
Dividends on ordinary shares - Cash and scrip dividends	30	–	–	–	(481)	(481)
Ordinary shares issued under scrip dividends		4,304	–	–	–	4,304
Treasury shares reissued pursuant to Aspial Performance Share Plan	29(b)	–	299	(139)	–	160
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		4,304	299	(139)	(481)	3,983
Others						
Acquisition of non-controlling interests in a subsidiary without a change in control		36,340	–	–	–	36,340
Total Others		36,340	–	–	–	36,340
At 31 December 2021		267,574	(1,482)	913	60,062	327,067
At 1 January 2022		267,574	(1,482)	913	60,062	327,067
Profit for the year, representing total comprehensive income for the year		–	–	–	85,648	85,648
Contributions by and distributions to owners						
Dividends on ordinary shares - Cash dividends	30	–	–	–	(5,416)	(5,416)
Purchase of treasury shares	29(b)	–	(222)	–	–	(222)
Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners		–	(222)	–	(5,416)	(5,638)
At 31 December 2022		267,574	(1,704)	913	140,294	407,077

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Note	2022	2021
		$'000	$'000
Operating activities			
(Loss)/profit before tax		(3,505)	6,586
Adjustments for:			
Property, plant and equipment written-off		235	306
Impairment loss on property, plant and equipment	10	526	–
Impairment loss on right-of-use assets	27(c)	189	–
Allowance for write-down of development properties	19(a)	8,371	463
Allowance for write-down of properties held for sale	19(b)	325	897
Loss/(gain) on disposal of property, plant and equipment		96	(28)
Gain on modification and termination of lease contracts		(243)	(28)
Gain on disposal of investment properties		(1,346)	(30)
Gain on disposal of an associate		(14)	–
Net fair value loss/(gain) on derivatives		1,801	(8,968)
Fair value (gain)/loss on investment securities		(1,291)	24
Net fair value (gain)/loss on investment properties	11	(1,570)	2,692
(Reversal of)/impairment loss on investment securities		(20)	145
Depreciation of property, plant and equipment	10	8,033	7,873
Depreciation of right-of-use assets	27(a)	24,675	24,599
Employee Share Award Scheme expenses		–	160
Write-back of inventories	18	(448)	(497)
Write-back of allowance for write-down of development properties	19(a)	(739)	–
Allowance for expected credit loss on trade and other receivables	20	4,050	3,852
Interest expense	6	41,918	35,439
Interest income		(3,457)	(3,862)
Amortisation of prepaid rent		3	3
Amortisation of intangible assets	12	544	729
Amortisation of medium-term notes issuance fees	6	999	1,174
Net loss/(gain) on disposal of investment securities		194	(1,345)
Loss on purchase and cancellation of medium-term notes and bonds		–	–*
Dividend income from equity instruments		(371)	(2,071)
Share of results of associates		(1,108)	(521)
Share of results of a joint venture		34	(89)
Unrealised foreign exchange differences		6,295	8,472
Operating cash flows before changes in working capital		84,176	75,975
Changes in working capital			
Increase in inventories		(26,847)	(24,540)
Decrease in development properties and properties held for sale		38,462	24,570
Increase in trade and other receivables		(57,320)	(42,937)
Increase in prepayments		(1,337)	(1,291)
Decrease in restricted cash		1,024	2,980
Increase/(decrease) in trade and other payables		18,272	(18,204)
Total changes in working capital		(27,746)	(59,422)
Cash flows generated from operations		56,430	16,553
Interest paid		(26,218)	(26,828)
Income taxes paid		(7,910)	(5,058)
Net cash flows generated from/(used in) operating activities		22,302	(15,333)

CONSOLIDATED STATEMENT OF
CASH FLOWS

For the financial year ended 31 December 2022

	Note	2022	2021
		$'000	$'000
Investing activities			
Purchase of property, plant and equipment	10	(18,077)	(34,890)
Acquisition of intangible assets	12	(2,120)	(1,417)
Proceeds from sale of property, plant and equipment		64	15
Investment in a joint venture		–	(153)
Interest received		4,612	2,378
Purchase of investment securities		(225)	(3,499)
Dividend income from equity instruments received		371	2,071
Dividend income from an associate received		356	–
Proceeds from disposal of investment securities		3,072	3,871
Proceeds from sales of investment property		14,367	573
Acquisition of non-controlling interests in subsidiaries		(481)	–
Due from associates, net		(927)	(813)
Due from a joint venture (non-trade), net		–	1,670
Net cash flows generated from/(used in) investing activities		1,012	(30,194)
Financing activities			
Dividends paid to shareholders of the Company		–	(1,025)
Dividends paid to non-controlling interests of subsidiaries		(4,994)	(7,684)
Proceeds from issuance of ordinary shares by subsidiaries to non-controlling interests		–	5,055
Proceeds from issuance of medium-term notes		36,750	14,250
Repayment of medium-term notes		(23,000)	(31,000)
Purchase of treasury shares		(222)	–
Purchase of treasury shares of a subsidiary		(145)	(209)
Proceeds from term loans		23,368	232,788
Repayment of term loans		(69,276)	(181,839)
Proceeds from short-term bank borrowings		152,474	153,892
Repayment of short-term bank borrowings		(100,154)	(112,644)
Interest paid on lease liabilities	27(b)	(2,090)	(1,867)
Repayment of principal portion of lease liabilities		(24,616)	(24,059)
Medium-term notes issuance fees paid		(552)	(1,291)
Advance from/(repayment to) immediate holding company (non-trade)		1,150	(4,200)
Net cash flows (used in)/generated from financing activities		(11,307)	40,167
Net increase/(decrease) in cash and cash equivalents		12,007	(5,360)
Effect of exchange rate changes on cash and cash equivalents		(756)	(412)
Cash and cash equivalents at beginning of year		40,258	46,030
Cash and cash equivalents at end of year	23	51,509	40,258

* Less than $1,000

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Aspial Corporation Limited (the "**Company**") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The immediate and ultimate holding company is MLHS Holdings Pte. Ltd., which is also incorporated in Singapore.

The address of the Company's registered office is 77 Robinson Road, #06-03 Robinson 77, Singapore 068896. The address of its principal place of business is located at 55 Ubi Avenue 3, #01-01, Singapore 408864.

The principal activity of the Company is investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("**SGD**" or "**$**") and all values in the tables are rounded to the nearest thousand ("**$'000**"), except when otherwise indicated.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, 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.

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	**Effective for annual periods beginning on or after**
Amendments to SFRS(I)1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*	1 January 2023
Amendments to SFRS(I)1-8: *Definition of Accounting Estimates*	1 January 2023
Amendments to SFRS(I)1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to SFRS(I)1-1: *Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I)16: *Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to SFRS(I)1-1: *Non-current Liabilities with Covenants*	1 January 2024
Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale of Contribution of Assets between and Investor and its Associate or Joint Venture*	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2. Summary of significant accounting policies (Continued)

2.4 *Basis of consolidation and business combinations*

(a) *Basis of 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.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or revenue reserves, as appropriate.

2. Summary of significant accounting policies (Continued)

2.4 *Basis of consolidation and business combinations (Continued)*

(b) *Business combinations and goodwill*

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.5 *Transactions with non-controlling interests*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. Summary of significant accounting policies (Continued)

2.6 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.7 *Joint arrangements*

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

(a) *Joint operations*

The Group recognises in relation to its interest in a joint operation,

(a) its assets, including its share of any assets held jointly;

(b) its liabilities, including its share of any liabilities incurred jointly;

(c) its revenue from the sale of its share of the output arising from the joint operation;

(d) its share of the revenue from the sale of the output by the joint operation; and

(e) its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

(b) *Joint ventures*

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint ventures is set out in Note 2.8.

2. Summary of significant accounting policies (Continued)

2.8 *Associates and joint ventures*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate and joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, investment in associates or joint ventures is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from associates or joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associates or joint ventures are eliminated to the extent of the interest in the associates or joint ventures.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associates or joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates and joint ventures are prepared as at the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.9 *Foreign currency*

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.9 *Foreign currency (Continued)*

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.10 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold properties	–	50 years
Leasehold properties	–	37 to 69 years
Renovations, electrical fittings, furniture and fittings	–	1 to 20 years
Air-conditioners, security equipment, office equipment and electrical equipment	–	2 to 12 years
Machinery, tools and equipment	–	2 to 10 years
Computers	–	3 to 5 years
Motor vehicles	–	3 to 7 years

Work-in-progress is not depreciated until it is ready for its intended use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2. Summary of significant accounting policies (Continued)

2.11 *Investment properties*

Investment properties are properties that owned by the Group held to earn rental or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

2.12 *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised on a straight-line basis over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(i) *Brands*

The brands were acquired in business combinations. The useful lives of the brands are estimated to be 15 years and are amortised on a straight-line basis.

2. Summary of significant accounting policies (Continued)

2.12 *Intangible assets (Continued)*

(ii) *Trademark*

Trademark acquired separately is measured on initial recognition at cost. Following initial recognition, it is carried at cost less accumulated amortisation and any accumulated impairment losses.

The useful lives of trademarks are assessed as either finite or indefinite.

For trademarks with finite useful lives, the trademarks are amortised on a straight-line basis over its finite useful life of 15 years.

For trademarks with indefinite useful lives, the trademarks are estimated to have indefinite useful lives based on the current market share of these trademarks. Hence, management believes that there is no foreseeable limit to the period over which the trademarks are expected to generate net cash inflows for the Group.

(iii) *Computer software*

Computer software is initially capitalised at cost, which includes the purchase price and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when they incurred.

Computer software is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over the useful life of 3 years.

(iv) *Licence*

Licence acquired separately is measured on initial recognition at cost. Following initial recognition, it is carried at cost less accumulated amortisation and any accumulated impairment losses.

The useful life of licence is assessed as indefinite.

The license is estimated to have indefinite useful life as it is renewable indefinitely. Hence, management believes that there is no foreseeable limit to the period over which the licence is expected to generate net cash inflows for the Group.

2.13 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.14 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets 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 and loss ("**FVPL**"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of a third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

(ii) Fair value through other comprehensive income

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

2. Summary of significant accounting policies (Continued)

2.14 *Financial instruments (Continued)*

(a) *Financial assets (Continued)*

Subsequent measurement (Continued)

Investments in equity instruments

On initial recognition of an investment in an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss. For derecognition of equity instruments, cumulative fair value changes previously recognised in FVOCI will be transferred to retained earnings.

(b) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. Summary of significant accounting policies (Continued)

2.15 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at banks and cash on hand. These also include bank overdrafts that form an integral part of the Group's cash management.

2.16 *Impairment of financial assets*

The Group estimates the ECLs for all debt instruments not held at FVPL and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group's estimation varies with respect to its various types of financial assets as follows:

Pawnshop loans and interest receivables on pawnshop loans

The Group uses the general approach and estimates for lifetime ECLs on the financial assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contractual terms of the pawn tickets and all the cash flows that the Group expects to receive from the sale of collateral held or other credit enhancements that are integral to the contractual terms of the pawn tickets.

The Group considers the financial assets to be in default upon forfeiture of the collateral to the Group. When such default occurs, the Group has no reasonable expectations of recovering the interest receivable portion of the financial assets. Therefore, the Group writes off the interest receivable portion of the financial assets.

Secured lending receivables

The Group uses the general approach and estimates the 12-month expected credit losses when there is no indication of significant deterioration in credit risk. When a significant increase in credit risk has occurred, the Group estimates the lifetime ECLs for such financial assets.

Trade receivables from the Group's jewellery and real estate businesses, and contract assets

The Group applies a simplified approach in calculating ECLs relating to the trade receivables from its jewellery and real estate businesses, and contract assets. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Debt investment securities

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECLs).

For debt instruments at FVOCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit rating of the debt instrument.

2. Summary of significant accounting policies (Continued)

2.16 *Impairment of financial assets (Continued)*

Due from subsidiaries, associates and joint ventures

The Group uses the general approach and estimates the 12-month expected credit losses when there is no indication of significant deterioration in credit risk based on the financial performance of its related entities. When a significant increase in credit risk has occurred, the Group estimates the lifetime ECLs for such financial assets.

2.17 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

Raw materials	–	purchase costs on a weighted average basis; and
Finished goods	–	cost of raw materials, labour and an attributable portion of overheads, determined on a specific identification basis.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

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

2.18 *Development properties*

Development properties are properties acquired for development or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development properties are held as inventories and are measured at the lower of cost and net realisable value.

Non-refundable commissions paid to sales or marketing agents on the sale of real estate units are capitalised and amortised to profit or loss as the Group expects to recognise the related revenue.

Net realisable value of development properties is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of development properties recognised in profit or loss on sale are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Development properties are transferred to properties held for sale upon the completion of construction or development.

2.19 *Properties held for sale*

Properties held for sale refer to properties where construction or development has been completed, or properties purchased, which are intended for sale in the ordinary course of business. Properties held for sale are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

2. Summary of significant accounting policies (Continued)

2.20 *Borrowing costs*

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.21 *Employee benefits*

(a) *Defined contribution plans*

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) *Employee leave entitlement*

Employees' entitlement to annual leave is recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

(c) *Employees share award plan*

The Company's treasury shares can be awarded to certain employees and directors of the Group. Share award expense is recognised as an expense in the same period in which the related service is performed. The fair value of the share award expense is determined based on the market value of the shares at the distribution dates. Any difference between the weighted average cost of the treasury shares and the fair value of the share award expense is recorded in "Gain on reissuance of treasury shares" within equity.

2.22 *Leases*

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) *As lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

2. Summary of significant accounting policies (Continued)

2.22 *Leases (Continued)*

(a) *As lessee (Continued)*

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leased properties	–	1 to 10 years
Motor vehicles	–	1 to 4 years
Machinery, tools and equipment	–	2 to 6 years
Security equipment and office equipment	–	4 years
Computer software	–	4 to 5 years
Land	–	37 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.13.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of retail stores (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of vehicles and office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2. Summary of significant accounting policies (Continued)

2.22 *Leases (Continued)*

(b) *As lessor*

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.23 *Revenue*

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised goods or service to the customer, which is when the customer obtains control of the goods or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) *Sales of goods*

<u>Revenue from sale of jewellery and branded merchandise</u>

Revenue from sale of jewellery and branded merchandise is recognised upon satisfaction of identified performance obligation, which generally coincides with delivery and acceptance of promised goods sold, net of discounts, returns and applicable goods and services tax. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

<u>Revenue from sale of completed development property</u>

A development property is regarded as sold when the significant risks and returns have been transferred to the buyer at a point in time, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

<u>Revenue from sale of development property under construction</u>

Where a development property is under construction and agreement has been reached to sell such property when construction is completed, revenue is recognised at a point in time when the significant risks and rewards of ownership of the property have been transferred to the buyer (i.e. revenue is recognised at a point in time).

If, however, the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, the percentage of completion method of revenue recognition is applied and revenue is recognised as work progresses. The percentage of work completed is measured by reference to the survey of work performed by external architects.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

2. Summary of significant accounting policies (Continued)

2.23 *Revenue (Continued)*

(b) *Interest income*

Interest income from loans to customers and quoted debt securities is recognised using the effective interest method.

(c) *Rental income from operating leases*

Rental income arising from operating leases on leasehold properties and standing property at a development site is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(d) *Dividend income*

Dividend income is recognised when the Group's right to receive payment is established.

(e) *Room revenue*

Room revenue from hotel operations is recognised at the point when the accommodation and related services are rendered to customer.

2.24 *Government grants*

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When government grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grant relating to income is presented as part of profit or loss under "Other income".

2.25 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Summary of significant accounting policies (Continued)

2.25 *Taxes (Continued)*

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

– Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and

– In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

– Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and

– In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

– Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

– Receivables and payables that are stated with the amount of sales tax included.

2. Summary of significant accounting policies (Continued)

2.26 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.27 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.28 *Treasury shares*

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2.29 *Contingencies*

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2. Summary of significant accounting policies (Continued)

2.30 *Financial guarantees*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.16 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 *Judgements in applying accounting policies*

In the process of applying the Company's accounting policies, management has made the following judgement which has the most significant effect on the amounts recognised in the financial statements:

Classification and measurement of equity instruments as FVOCI

The Group intends to hold its equity instruments for an indefinite period and it may be sold in response to liquidity needs or in response to changes in the market conditions. Therefore, management has concluded that these equity instruments are not held for trading and can be classified and measured at FVOCI.

3.2 *Key sources of estimation uncertainty*

The Group, on its own or in reliance on third parties, also applied estimates, assumptions and judgements in the following areas. These estimates, assumptions and judgements are however not expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities as disclosed in the notes to the financial statements within the next financial year.

(a) *Estimation of net realisable value for development properties*

Development properties are stated at the lower of cost and net realisable value ("**NRV**").

As at 31 December 2022 and 2021, a proportion of the Group's development properties are in their planning phases, some of which the Group is in the process of obtaining the necessary development permits from the relevant authorities in the respective jurisdictions. NRV in respect of these development properties is assessed based on management's best estimates of expected selling price (taking into account estimated costs to complete construction) based on assessment of outlook of future property market and economic conditions in the respective markets, with the assumption that the required development permits will be obtained.

Management has also made estimates of NRV with references to gross development values as assessed by external appraisers for certain development projects. The gross development value of a development property is derived from estimated sales proceeds less estimated construction costs. Significant estimate and assumptions are involved in determining the estimated construction costs. In making these estimate, management has relied on past experience as well as the work of third party experts.

As at 31 December 2022 and 2021, the carrying amounts of development properties are disclosed in Note 19(a) to the financial statements.

3. Significant accounting judgements and estimates (Continued)

3.2 *Key sources of estimation uncertainty (Continued)*

(b) *Estimation of net realisable value for properties held for sale*

Properties held for sale are stated at the lower of cost and NRV.

Management has made estimates of the NRV with reference to selling prices of units sold as well as market prices at the reporting date for similar properties in the respective markets where applicable, or used external appraisers to support its determination of recoverable amounts. There was an increase in the level of estimation uncertainty in determining the recoverable value of the properties held for sale as at 31 December 2022 arising from rapid changes in market and economic conditions. As at 31 December 2022 and 2021, the carrying amount of properties held for sale are disclosed in Note 19(b) to the financial statements.

(c) *Impairment of hotel properties*

As at 31 December 2022, the Group's property, plant and equipment included hotel properties which amounted to $68,542,000 (31 December 2021: $67,905,000).

Where there are indicators of impairment, management has made estimates of the recoverable amounts based on the current property market and economic conditions in the respective markets, or used external appraisers to support its determination of recoverable amount. There was an increase in the level of estimation uncertainty in determining the recoverable value of the hotel properties as at 31 December 2022 arising from rapid changes in market and economic conditions.

(d) *Allowance for expected credit losses on pawnshop loans and interest receivables on pawnshop loans*

The Group uses a provision matrix to estimate the allowance for ECLs on pawnshop loans and interest receivables on pawnshop loans. The Group has estimated the probability of default being the forfeiture of the customers' pledges based on historical non-redemption data of individual pawnshop outlets. The Group has estimated the loss given default based on the expected realisable value of the customers' pledges. Significant judgement and estimation is involved in using the historical non-redemption data to derive the probability of default as well as considering any forward-looking economic information. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The carrying amount of the Group's trade receivables which includes the pawnshop loans and interest receivables on pawnshop loans at the end of the financial year is disclosed in Note 20 to the financial statements.

(e) *Valuation of investment properties*

The Group carries its investment properties at fair values, with changes in fair values being recognised in profit or loss. The Group engaged external appraisers to assess the fair value as at 31 December 2022. There was an increase in the level of estimation uncertainty in determining valuation of the investment properties as at 31 December 2022 arising from the rapid changes in market and economic conditions.

The fair values of the investment properties are determined by external appraisers using the recognised valuation technique of Market Comparison Approach. The key assumptions used to determine the fair value of these investment properties are provided in Note 36(d). As at 31 December 2022, the investment properties amounted to $142,462,000 (2021: $160,101,000).

3. Significant accounting judgements and estimates (Continued)

3.2 *Key sources of estimation uncertainty (Continued)*

(f) *Allowance for inventory*

The Group periodically assesses the allowance for inventory. When inventories are deemed obsolete or when the net realisable value falls below cost, the amount of obsolete inventories or fall in value is recognised as an impairment against the inventory balance. To determine whether there is objective evidence of impairment, the Group estimates future demand for the product. Any possible changes in these estimates could result in revision to the valuation of inventory. The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 18 to the financial statements.

(g) *Valuation of investment held by an associate*

At 31 December 2022, the Group's non-current assets include investment in an associate, AF Global Limited ("**AFG**"), with carrying amount of $93,364,000 (2021: $98,010,000).

AFG has a 55% equity interest in a joint venture in the People's Republic of China carried at fair value through other comprehensive income. The estimation of the investment's fair value of $50,627,000 involves significant judgement and estimates as disclosed in Note 14.

4. Revenue

Disaggregation of revenue

Segments	***Financial Services****		***Real Estate***		***Retail***		***Total revenue***	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Major product or service lines								
Interest income from pawnbroking services	51,526	46,043	–	–	–	–	51,526	46,043
Interest income and distribution income from secured lending	2,122	2,082	–	–	–	–	2,122	2,082
Sale of jewellery and branded merchandise - recognised at a point in time	–	–	–	–	391,238	317,076	391,238	317,076
Sale of development properties - recognised at a point in time	–	–	59,904	51,726	–	–	59,904	51,726
Room revenue - recognised over time	–	–	1,446	249	–	–	1,446	249
	53,648	48,125	61,350	51,975	391,238	317,076	506,236	417,176

* Revenue recognition policy for Financial Services is as disclosed in Note 2.23

5. Employee benefits

	Group 2022	Group 2021
	$'000	$'000
Employee benefits expense (including executive directors):		
Salaries and bonuses	60,735	56,067
Defined contributions plan	7,014	6,726
	67,749	62,793

6. Finance costs

	Group 2022	Group 2021
	$'000	$'000
Interest expense on:		
– Term loans/short-term borrowings	23,729	17,806
– Medium-term notes	16,082	15,744
– Lease liabilities (Note 27(b))	2,090	1,867
– Others	17	22
	41,918	35,439
Amortisation of medium-term notes issuance fees	999	1,174
	42,917	36,613

7. Other income

	Group	
	2022	2021
	$'000	$'000
Administrative income	857	901
Corporate charges to an associate	488	488
Dividend income from equity instruments	371	2,071
Foreign exchange gain, net	1,047	12
Net fair value gain on investment properties	1,570	–
Gain on disposal of investment securities	–	1,351
Gain on disposal of investment properties	1,346	30
Other government grants and miscellaneous income	3,899	3,670
Jobs Support Scheme grant income	–	3,371
COVID-19-related rent concessions	113	4,769
Net fair value gain on derivatives	2,266	4,896
Fair value gain on investment securities	1,291	–
Write-back of allowance for write-down for development properties	739	–
Service income	830	–
	14,817	21,559

Jobs Support Scheme

The Jobs Support Scheme ("**JSS**") was introduced to provide wage support to employers to retain local employees during the period of economic uncertainty. Under the JSS, the Government co-funds the first $4,600 of gross monthly wages paid to each local employee.

COVID-19-related rent concessions

The Group received rent concessions as part of the COVID-19 support under the Rental Relief Framework, which provides for mandated equitable co-sharing of rental obligations between the Government, landlords and tenants.

The Rental Relief Framework requires qualifying property owners which have received support via a government cash grant to in turn provide the necessary rental relief to their eligible Small and Medium Enterprises and specified Non-Profit Organisations tenant-occupiers of the prescribed properties.

During the financial year ended 31 December 2022 and 2021, the Group recognised COVID-19-related rent concessions to which the Group applied the practical expedient applicable under Amendment to SFRS(I) 16: *Covid-19-Related Rent Concessions*.

8. (Loss)/profit before tax

The following items have been included in arriving at (loss)/profit before tax:

	Note	Group	
		2022	2021
		$'000	$'000
Audit fees to:			
– Auditor of the Company		774	715
– Other auditors		260	204
Non-audit fees to:			
– Auditor of the Company		119	123
Amortisation of prepaid rent		3	3
Amortisation of intangible assets	12	544	729
Directors' fees		266	266
Depreciation of property, plant and equipment	10	8,033	7,873
Depreciation of right-of-use assets	27(a)	24,675	24,599
Fair value (gain)/loss on investment properties	11	(1,570)	2,692
Lease expense not capitalised in lease liabilities:			
– Expense relating to short-term leases and leases of low-value assets	27(c)	209	484
– Variable lease payments	27(c)	900	789
		1,109	1,273
Allowance for write-down of development properties	19(a)	8,371	463
Allowance for write-down of properties held for sale	19(b)	325	897
Property, plant and equipment written-off		235	306
Loss/(gain) on disposal of property, plant and equipment		96	(28)
Allowance for expected credit loss on trade and other receivables		4,050	3,852
Write-back of inventories	18	(448)	(497)
Net loss/(gain) on disposal of investment securities		194	(1,345)
Net gain on disposal of investment properties		(1,346)	(30)
Loss on purchase and cancellation of medium-term notes and bonds		–	–*
Net foreign exchange loss		7,711	4,713
Financial losses on pledged items not fully covered by insurance		10	108
(Reversal of)/impairment loss on investment securities		(20)	145
Impairment loss on property, plant and equipment	10	526	–
Impairment loss on right-of-use assets	27(c)	189	–
Net fair value gain on derivatives		(2,266)	(4,896)
Non-refundable sales agent commission		4,803	4,323
Write-back of allowance for write-down of development properties		(739)	–
Net fair value (gain)/loss on investment securities		(1,291)	24

* Less than $1,000

9. Loss per share

Basic loss per share amounts are calculated by dividing the loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial year.

Diluted earnings per share amounts are calculated by dividing the loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The weighted average number of shares takes into account the weighted average effect of issue of bonus shares, bonus element in rights issue and changes in treasury shares transactions during the year. Comparatives have been adjusted accordingly, as applicable.

Diluted loss per share is similar to basic loss per share as there were no potential dilutive ordinary shares existing during the respective financial years.

The following table reflects the loss and share data used in the computation of basic and diluted loss per share for the years ended 31 December:

	Group	
	2022	**2021**
	$'000	$'000
Loss for the year attributable to owners of the Company	(14,710)	(363)
Weighted average number of ordinary shares ('000) (excluding treasury shares)	2,165,712	2,032,095
Loss per share (cent)		
– basic	(0.68)	(0.02)
– diluted	(0.68)	(0.02)

10. Property, plant and equipment

Group	Freehold properties	Leasehold properties	Renovations, electrical fittings, furniture and fittings	Air-conditioners, security equipment, office equipment and electrical equipment	Machinery, tools and equipment	Computers	Motor vehicles	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:									
At 1 January 2021	42,436	138,252	27,732	6,958	2,469	8,294	751	1,481	228,373
Additions	–	28,484	2,681	595	177	269	57	2,627	34,890
Disposals/write-off	–	–	(1,608)	(199)	(21)	(13)	(146)	(317)	(2,304)
Adjustments#	–	(981)	(304)	–	–	–	–	–	(1,285)
Transfer in/(out)	–	–	1,750	122	2	537	–	(2,411)	–
Transferred to intangible assets	–	–	–	–	–	–	–	(121)	(121)
Transferred to investment properties	–	(6,690)	–	–	–	–	–	–	(6,690)
Exchange differences	(364)	(628)	(78)	(17)	(29)	(12)	(2)	–	(1,130)
At 31 December 2021 and 1 January 2022	42,072	158,437	30,173	7,459	2,598	9,075	660	1,259	251,733
Additions	3,806	4,995	2,538	622	415	518	–	5,183	18,077
Disposals/write-off	–	–	(3,169)	(1,119)	(194)	(5,013)	(131)	(114)	(9,740)
Transfer in/(out)	266	–	2,377	86	101	182	–	(3,012)	–
Transferred to intangible assets	–	–	–	–	–	–	–	(158)	(158)
Exchange differences	(1,602)	(3,131)	(220)	(48)	(37)	(26)	(9)	(16)	(5,089)
At 31 December 2022	44,542	160,301	31,699	7,000	2,883	4,736	520	3,142	254,823

Relating to discount received from contractor

10. Property, plant and equipment (Continued)

Group	Freehold properties	Leasehold properties	Renovations, electrical fittings, furniture and fittings	Air-conditioners, security equipment, office equipment and electrical equipment	Machinery, tools and equipment	Computers	Motor vehicles	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated depreciation and impairment:									
At 1 January 2021	743	12,290	18,252	4,777	1,884	7,275	498	–	45,719
Depreciation charge for the year	10	2,327	3,895	644	216	683	98	–	7,873
Disposals/write-off	–	(53)	(1,576)	(189)	(21)	(28)	(144)	–	(2,011)
Transferred to investment properties	–	(690)	–	–	–	–	–	–	(690)
Exchange differences	–	(124)	(44)	(8)	(15)	(6)	(1)	–	(198)
At 31 December 2021 and 1 January 2022	753	13,750	20,527	5,224	2,064	7,924	451	–	50,693
Depreciation charge for the year	74	2,418	3,896	613	222	723	87	–	8,033
Impairment loss	–	–	386	128	4	8	–	–	526
Disposals/write-off	–	–	(2,948)	(1,088)	(186)	(5,008)	(115)	–	(9,345)
Exchange differences	–*	(554)	(125)	(26)	(20)	(17)	(4)	–	(746)
At 31 December 2022	827	15,614	21,736	4,851	2,084	3,630	419	–	49,161
Net carrying amount:									
At 31 December 2021	41,319	144,687	9,646	2,235	534	1,151	209	1,259	201,040
At 31 December 2022	43,715	144,687	9,963	2,149	799	1,106	101	3,142	205,662

* Less than $1,000

10. Property, plant and equipment (Continued)

Company	Renovations, electrical fittings, furniture and fittings	Air-conditioners, security equipment, office equipment and electrical equipment	Machinery, tools and equipment	Computers	Total
	$'000	$'000	$'000	$'000	$'000
Cost:					
At 1 January 2021	783	422	78	4,051	5,334
Disposals	–	–	–	–	–
At 31 December 2021 and 1 January 2022	783	422	78	4,051	5,334
Write-off	(783)	(413)	(78)	(4,017)	(5,291)
At 31 December 2022	–	9	–	34	43
Accumulated depreciation and impairment:					
At 1 January 2021	782	416	78	4,028	5,304
Depreciation charge for the year	1	2	–	18	21
At 31 December 2021 and 1 January 2022	783	418	78	4,046	5,325
Depreciation charge for the year	–	2	–	5	7
Write-off	(783)	(413)	(78)	(4,017)	(5,291)
At 31 December 2022	–	7	–	34	41
Net carrying amount:					
At 31 December 2021	–	4	–	5	9
At 31 December 2022	–	2	–	–	2

<u>Assets pledged as security</u>

A floating charge has been placed on plant and equipment of certain subsidiaries with a carrying amount aggregating $3,408,000 (2021: $2,823,000) as security for bank borrowings (Note 25).

As at 31 December 2022, freehold properties, leasehold properties and motor vehicles with a carrying value of $188,402,000 (2021: $186,041,000) are pledged to banks as security for bank borrowings (Note 25).

<u>Impairment of assets</u>

During the financial year ended 31 December 2022, the Group undertook an assessment of the recoverable amounts of the property, plant and equipment with indicators of impairment. As a result of the assessment, the Group recorded impairment loss of $526,000 (2021: $Nil) arising from the closure of certain outlets under the financial services segment, recognised in "Other operating expenses" in the consolidated statement of comprehensive income.

11. Investment properties

	Group	
	2022	2021
	$'000	$'000
Statement of financial position:		
At 1 January	160,101	160,653
Transferred from property, plant and equipment	–	6,000
Disposal	(13,042)	(543)
Net gain/(loss) from fair value adjustments recognised in profit or loss	1,570	(2,692)
Exchange difference	(6,167)	(3,317)
At 31 December	142,462	160,101
Statement of comprehensive income:		
Rental income from investment properties		
- Minimum lease payments	1,771	1,359
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	865	630
- Non-rental generating properties	–	3
	865	633

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.

Valuation of investment properties

Investment properties are stated at fair values, 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. Details of the valuation technique and inputs used are disclosed in Note 36.

11. Investment properties (Continued)

Properties pledged as security

As at 31 December 2022, investment properties with a carrying value of $142,462,000 (2021: $153,092,000) are pledged as security for bank borrowings (Note 25).

The investment properties held by the Group are as follows:

Description and location	Existing use	Tenure	Unexpired lease term as at 31 December 2022
World Class Development (Bedok) Pte. Ltd.			
#01-08, #01-47, #01-48, #01-49, #01-64, #01-65, #01-67, #01-68 East Village, Bedok Road, Singapore	Retail	Freehold	–
World Class Development (North) Pte. Ltd.			
#01-52 and #01-67 The Hillford, Jalan Jurong Kechil, Singapore	Retail	Leasehold	51 years
World Class Land (Georgetown) Sdn. Bhd.			
41, 43 & 51 Gat Jalan Prangin, Penang, Malaysia	Commercial	Freehold	–
WCL (Macallum) Sdn. Bhd.			
206 Jalan C.Y. Choy, Penang, Malaysia	Commercial	Freehold	–
55 Lebuh Cecil, Penang, Malaysia	Commercial	Freehold	–
81 Lebuh Macallum, Penang, Malaysia	Commercial	Freehold	–
WCL (Noordin St) Sdn. Bhd.			
68 Lebuh Presgrave, Penang, Malaysia	Commercial	Freehold	–
69 & 71 Lebuh Presgrave, Penang, Malaysia	Commercial	Freehold	–
95, 97 & 99 Lebuh Noordin, Penang, Malaysia	Commercial	Freehold	–
15 Lebuh Tye Sin, Penang, Malaysia	Commercial	Freehold	–
80 & 82 Lebuh Tye Sin, Penang, Malaysia	Commercial	Freehold	–
34, 36, 38, 38-A, 38-B & 38-C Lebuh Tye Sin, Penang, Malaysia and Lot 711 Seksyen 11W, Bandar Georgetown, Daerah Timur Laut, Penang, Malaysia	Mixed use development	Freehold	–
WCL-Southbank (VIC) Pty. Ltd.			
90 units at Australia 108 68-82 Southbank Boulevard, Southbank, Melbourne, Victoria, Australia	Residential	Freehold	–
Maxi-Cash Property Pte. Ltd.			
40 Changi Road, Singapore	Retail	Freehold	–
709 Ang Mo Kio Avenue 8 #01-2593, Singapore	Retail	Leasehold	62 years

12. Intangible assets

Group	Brands	Trademark	Goodwill	License	Computer software and internet domain	Club member-ship	Industrial rights	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:									
At 1 January 2021	8,421	4,881	5,093	–	3,601	49	8	433	22,486
Additions	–	–	–	–	119	–	–	1,298	1,417
Transferred in/(out)	–	–	–	–	419	–	–	(419)	–
Transferred from property, plant and equipment	–	–	–	–	121	–	–	–	121
Exchange differences	–	(233)	–	–	(27)	–	–*	(11)	(271)
At 31 December 2021 and 1 January 2022	8,421	4,648	5,093	–	4,233	49	8	1,301	23,753
Additions	–	–	–	500	276	–	–	1,344	2,120
Write-off	–	–	–	–	(2,000)	–	–	–	(2,000)
Transferred in/(out)	–	–	–	–	2,602	–	–	(2,602)	–
Transferred from property, plant and equipment	–	–	–	–	158	–	–	–	158
Exchange differences	–	(247)	–	–	(46)	–	(1)	(2)	(296)
At 31 December 2022	8,421	4,401	5,093	500	5,223	49	7	41	23,735
Accumulated amortisation and impairment:									
At 1 January 2021	8,421	723	1,872	–	2,562	14	8	–	13,600
Amortisation	–	–	–	–	729	–	–	–	729
Exchange differences	–	–	–	–	(20)	–	–*	–	(20)
At 31 December 2021 and 1 January 2022	8,421	723	1,872	–	3,271	14	8	–	14,309
Amortisation	–	–	–	–	544	–	–	–	544
Write-off	–	–	–	–	(2,000)	–	–	–	(2,000)
Exchange differences	–	–	–	–	(15)	–	(1)	–	(16)
At 31 December 2022	8,421	723	1,872	–	1,800	14	7	–	12,837
Net carrying amount:									
At 31 December 2021	–	3,925	3,221	–	962	35	–*	1,301	9,444
At 31 December 2022	–	3,678	3,221	500	3,423	35	–*	41	10,898

* Less than $1,000

12. Intangible assets (Continued)

Company	Computer software	Club membership	Work-in-progress	Total
	$'000	$'000	$'000	$'000
Cost:				
At 1 January 2021	1,490	49	–	1,539
Additions	–	–	123	123
Transferred in/(out)	123	–	(123)	–
At 31 December 2021 and 1 January 2022	1,613	49	–	1,662
Write-off	(1,022)	–	–	(1,022)
At 31 December 2022	591	49	–	640
Accumulated amortisation:				
At 1 January 2021	1,296	14	–	1,310
Amortisation	195	–	–	195
At 31 December 2021 and 1 January 2022	1,491	14	–	1,505
Amortisation	55	–	–	55
Write-off	(1,022)	–	–	(1,022)
At 31 December 2022	524	14	–	538
Net carrying amount:				
At 31 December 2021	122	35	–	157
At 31 December 2022	67	35	–	102

Amortisation expense

Except for the trademark related to "Niessing" (acquired in 2018) which useful life is estimated to be indefinite, the other brands and trademark acquired are amortised on a straight-line basis over their estimated economic useful lives of 15 years.

The amortisation of intangible assets is included in the "Depreciation and amortisation" line items in the consolidated statement of comprehensive income.

Impairment testing of goodwill

Goodwill is tested for impairment by comparing the carrying amount of goodwill with its recoverable amount. For the purpose of management's impairment assessment, goodwill is allocated to Goldheart Jewelry Pte. Ltd. ("**GHJ**") as a cash-generating unit ("**CGU**").

The recoverable amount of the Group's goodwill has been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period.

12. Intangible assets (Continued)

Impairment testing of goodwill (Continued)

The calculation of value-in-use for GHJ is most sensitive to the following assumptions:

Budgeted gross margins and direct overhead expenses – Direct overhead expenses mainly comprise employee benefits and rental related expenses. Gross margins and direct overhead expenses are forecasted as a percentage of budgeted sales and is estimated based on historical trend and management's assessment of outlook of the CGU and industry.

Pre-tax discount rate – Discount rate represents the current market assessment of the risks specific to GHJ, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the CGU and derived from its weighted average cost of capital. The pre-tax discount rate applied in the cash flow projections is 13.0% (2021: 12.6%), which reflects management's estimation of the risks specific to the segment.

Growth rates – The forecasted growth rates are based on management's judgement applied in the financial budgets which include average growth rates. The growth rate applied ranges from 1.1% to 1.2% (2021: 1.1% to 1.2%) for the budget covering 5 years with a terminal growth rate of 1.7% (2021: 1.6%).

Sensitivity analysis

With respect to the assessment of value-in-use for goodwill of GHJ, management believed that no reasonable possible changes in any of the key assumptions would cause the carrying value of GHJ to materially exceed its recoverable amount.

13. Investment in subsidiaries

	Company	
	2022	**2021**
	$'000	$'000
Unquoted equity shares, at cost		
At 1 January	270,546	235,204
Acquisition of non-controlling interests in a subsidiary	55,271	36,340
Disposal of ownership interest in a subsidiary	–	(316)
Re-organisation of Target Group [m]	(45,000)	–
Allowance for impairment loss	–	(682)
At 31 December	280,817	270,546

13. Investment in subsidiaries (Continued)

Composition of the Group

The Group has the following material investment in subsidiaries:

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest 2022 %	Proportion of ownership interest 2021 %
Held by the Company				
Aspial International Pte. Ltd. [(a)]	Singapore	Jewellery wholesaling	100	100
World Class Land Pte. Ltd. [(a)]	Singapore	Property development	90	90
World Class Global Pte. Ltd. [(a)] ("**WCG**")	Singapore	Investment holding and provision of management services	100	100
Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) [(a),(m)] ("**ALJG**")	Singapore	Jewellery manufacturing	–	100
Aspial Lifestyle Limited ("**ALL**") (formerly known as Maxi-Cash Financial Services Corporation Ltd.) [(a)]	Singapore	Investment holding and provision of management services	70.74	62.56
Aspial Investment Holding Pte. Ltd. [(a)]	Singapore	Investment holding	100	100
Aspial Treasury Pte. Ltd. [(a)]	Singapore	Provision of financial services	100	100
Aspial Corporate Services Pte. Ltd. [(a)]	Singapore	Provision of management services	100	100
Held through subsidiaries				
Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.)				
Lee Hwa Jewellery Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Pte. Ltd.) [(a),(m)]	Singapore	Jewellery retailing	–	100
Goldheart Jewelry Pte. Ltd. [(a),(m)]	Singapore	Jewellery retailing	–	100
AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.) [(a),(k),(m)]	Singapore	Real estate activities	–	81.28
Aspial International Pte. Ltd.				
Niessing Group Pte. Ltd. [(a)]	Singapore	Investment holding and provision of management services	100	100
Niessing Group Pte. Ltd.				
Niessing Asia Pacific Pte. Ltd. [(a)]	Singapore	Jewellery retailing and regional sales office	100	100
Niessing Manufaktur GmbH & Co. KG [(c)]	Germany	Jewellery trading and manufacturing	75	75

13. Investment in subsidiaries (Continued)

Composition of the Group (Continued)

The Group has the following material investment in subsidiaries (Continued):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest 2022 %	2021 %
Held through subsidiaries (Continued)				
Niessing Asia Pacific Pte. Ltd.				
Niessing (Hong Kong) Limited [h]	Hong Kong	Jewellery retailing	100	100
Niessing (Australia) Pty. Ltd. [g]	Australia	Jewellery retailing	100	100
Niessing Vreden Commercial (Shanghai) Limited [f]	Republic of China	Jewellery retailing and regional sales office	100	100
World Class Land Pte. Ltd.				
Dynamic Project Management Services Pte. Ltd. [f],[i]	Singapore	Property management and property development	100	100
World Class Developments Pte. Ltd. [d]	Singapore	Property development	100	100
Advance Property Pte. Ltd. [i],[n]	Singapore	Investment holding	100	100
World Class Developments Pte. Ltd.				
World Class Developments (Bedok) Pte. Ltd. [a]	Singapore	Property development	80	80
World Class Developments (North) Pte. Ltd. [a]	Singapore	Property development	100	100
World Class Global Pte. Ltd.				
World Class Land (Malaysia) Sdn. Bhd. [e]	Malaysia	Investment holding	100	100
World Class Land (Australia) Pty. Ltd. [b]	Australia	Investment holding	100	100
Bienven (M) Sdn. Bhd. [e]	Malaysia	Hotel management	100	–
World Class Land (Malaysia) Sdn. Bhd.				
World Class Land (Penang) Sdn. Bhd. [e]	Malaysia	Property development	100	100
World Class Land (Penang) Sdn. Bhd.				
World Class Land (Georgetown) Holdings Sdn. Bhd. [e]	Malaysia	Property development	95	95

13. Investment in subsidiaries (Continued)

Composition of the Group (Continued)

The Group has the following material investment in subsidiaries (Continued):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2022	2021
			%	%
Held through subsidiaries (Continued)				
World Class Land (Georgetown) Holdings Sdn. Bhd.				
World Class Land (Georgetown) Sdn. Bhd. (b)	Malaysia	Property development	100	100
WCL (Magazine) Sdn. Bhd. (b)	Malaysia	Property development	100	100
WCL (Macallum) Sdn. Bhd. (b)	Malaysia	Property development	100	100
WCL (Noordin St) Sdn. Bhd. (b)	Malaysia	Property development	100	100
WCL (Bertam R) Sdn. Bhd. (b)	Malaysia	Property development	100	100
WCL (Bertam L) Sdn. Bhd. (b)	Malaysia	Property development	100	100
PHC Hotels Sdn. Bhd. (e)	Malaysia	Management and operation of hotels	100	100
World Class Land (Australia) Pty. Ltd.				
WCL-Cairns (QLD) Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL-Central Park (QLD) Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL-Southbank (VIC) Pty. Ltd. (b)	Australia	Property development	100	100
WCL (QLD) Holdings Pty. Ltd. (j)	Australia	Property development	100	100
SBD 102 Pty. Ltd. (j)	Australia	Property development	100	100
WCL-Cairns (QLD) Pty. Ltd.				
Dynamic Ideas Pty. Ltd. (j)	Australia	Property development	100	100
WCL (CNS) CBD Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL (QLD) Holdings Pty. Ltd.				
WCL (QLD) Albert St Pty. Ltd. (f),(j)	Australia	Property development	100	100
WCL (QLD) Margaret St Pty. Ltd. (f),(j)	Australia	Property development	65	65

13. Investment in subsidiaries (Continued)

Composition of the Group (Continued)

The Group has the following material investment in subsidiaries (Continued):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2022	2021
			%	%
Held through subsidiaries (Continued)				
Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.)				
Maxi-Cash Group Pte. Ltd. [(a)]	Singapore	Investment holding and provision of management services	100	100
Maxi-Cash Jewellery Group Pte. Ltd. [(a)]	Singapore	Trading and retailing of jewellery and branded merchandise	100	100
Maxi-Cash Property Pte. Ltd. [(a),(l)]	Singapore	Real estate activities	100	100
Maxi-Cash Investment Holding Pte. Ltd. [(a)]	Singapore	Investment holding	100	100
Maxi-Cash Capital Management Pte. Ltd. [(a)]	Singapore	Secured lending and investment holding	100	100
Maxi-Cash International Pte. Ltd.[(a)]	Singapore	Investment holding and provision of management services	100	100
Maxi-Cash Retail Pte. Ltd. [(a)]	Singapore	Jewellery retailing	100	100
Aspial Property Investment Pte. Ltd. [(a),(l)]	Singapore	Real estate activities	–	100
Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) [(a),(m)]	Singapore	Jewellery manufacturing	100	–
AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.) [(a),(k),(m)]	Singapore	Real estate activities	100	–

13. Investment in subsidiaries (Continued)

Composition of the Group (Continued)

The Group has the following material investment in subsidiaries (Continued):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest 2022 %	2021 %
Held through subsidiaries (Continued)				
Maxi-Cash Group Pte. Ltd.				
Maxi-Cash (North) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (East) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (Central) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (West) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (Clementi) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	70	70
Maxi-Cash Capital Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash Assets Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash Ventures Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (Central 2) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (East 2) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Maxi-Cash (North East) Pte. Ltd. [(a)]	Singapore	Pawn brokerage	100	100
Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.)				
Lee Hwa Jewellery Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Pte. Ltd.) [(a),(m)]	Singapore	Jewellery retailing	100	–
Goldheart Jewelry Pte. Ltd. [(a),(m)]	Singapore	Jewellery retailing	100	–
Maxi-Cash International Pte. Ltd.				
Maxi Cash (Malaysia) Sdn. Bhd. [(b)]	Malaysia	Investment holding and provision of management services	100	100
Maxi-Cash (Australia) Pty. Ltd. [(g)]	Australia	Investment holding and provision of management services	100	100
Maxi-Cash (Hong Kong) Co. Ltd.[(b)]	Hong Kong	Investment holding and provision of management services	100	100

13. Investment in subsidiaries (Continued)

Composition of the Group (Continued)

The Group has the following material investment in subsidiaries (Continued):

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest 2022 %	2021 %
Held through subsidiaries (Continued)				
Maxi Cash (Malaysia) Sdn. Bhd.				
Maxi Cash (Southern) Sdn. Bhd. (b)	Malaysia	Investment holding and provision of management services	100	100
LuxeSTYLE (Malaysia) Sdn. Bhd. (b)	Malaysia	Trading and retailing of jewellery and branded merchandise	100	100
Maxi Cash (Southern) Sdn. Bhd.				
Maxi Cash (S1) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	99
Maxi Cash (S2) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	99
Maxi Cash (S3) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	99
Maxi Cash (KL1) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	99
Maxi Cash (KL2) Sdn. Bhd. (b)	Malaysia	Pawn brokerage	100	99
Maxi-Cash (Australia) Pty. Ltd.				
Maxi-Cash Melbourne (VIC) Pty. Ltd. (g)	Australia	Pawn brokerage	100	100
LuxeSTYLE (Australia) Pty. Ltd. (g)	Australia	Trading and retailing of jewellery and branded merchandise	100	100
Maxi-Cash (Hong Kong) Co. Ltd.				
Maxi-Cash (HKI) Co. Ltd. (b)	Hong Kong	Pawn brokerage	100	100
Maxi-Cash Retail (HKI) Co. Ltd. (b)	Hong Kong	Trading and retailing of jewellery and branded merchandise	100	100

(a) Audited by Ernst & Young LLP, Singapore

(b) Audited by a member firm of EY Global

(c) Audited by Reviscon GmbH

(d) Audited by MAP-CA PAC, Chartered Accountants of Singapore

(e) Audited by Baker Tilly Monteiro Heng, Malaysia

(f) Audited by Ernst & Young LLP, Singapore for consolidation purposes

13. Investment in subsidiaries (Continued)

Composition of the Group (Continued)

(g) Audited by The Field Group, Melbourne

(h) Audited by Tam, Hui, Tse & Ho CPA Limited, Hong Kong

(i) Audited by Kreston David Yeung PAC, Singapore

(j) Exempted from statutory audit

(k) During the financial year ended 31 December 2016, AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.) was incorporated as a joint venture between ALL and ALJG, each holding a 50% interest in the ownership and voting rights. During the financial year 31 December 2021, the proportion of ownership interest of 81.28% represents the effective interest held by the Company.

AL Capital (Ubi) Pte. Ltd. was transferred to ALL as part of the Group's re-organisation as disclosed in note (m). Accordingly, ALL now holds 100% of equity interest in AL Capital (Ubi) Pte. Ltd..

(l) On 1 January 2022, Aspial Property Investment Pte. Ltd. and Maxi-Cash Property Pte. Ltd. amalgamated, pursuant to Section 215A and Section 215D of the Companies Act 1967, with Maxi-Cash Property Pte. Ltd. remaining as an amalgamated entity.

(m) On 30 September 2022, the Company completed the re-organisation of Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) and its subsidiaries, BU2 Services Pte. Ltd. and Gold Purple Pte. Ltd. (collectively, the "**Target Group**"). The 100% equity interests of companies within the Target Group, amounting to $45,000,000, were transferred to ALL for a total consideration of up to $98,755,000, which comprise base consideration and earn-out consideration. Gain on disposal of $53,631,000 was recorded by the Company.

The base consideration is satisfied by cash consideration of $37,000,000 and issuance of 311,656,441 ordinary shares of ALL amounting to $49,865,000. The earn-out consideration of up to $12,000,000 will be payable based on achievement of certain performance target by the Target Group and will be satisfied by way of cash consideration of up to $6,000,000 and issuance of 36,809,815 new ordinary shares of ALL to the Company. As at 31 December 2022, the performance target of the Target Group has been achieved and the fair value of the contingent shares to be issued by ALL amounted to $5,889,000.

The reason for the re-organisation is to leverage on the retail segment of ALL as part of the Group's strategic plans of increasing its product offerings in the market.

(n) In the process of liquidation

13. Investment in subsidiaries (Continued)

Interest in subsidiaries with material non-controlling interest ("NCI")

The Group has the following subsidiaries that have NCI that are material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Profit/(loss) allocated to NCI during the reporting period	Accumulated NCI at the end of reporting period	Dividends paid to NCI
			$'000	$'000	$'000
31 December 2022					
Aspial Lifestyle Limited and its subsidiaries ("**ALL Group**")	Singapore	29.26%	5,741	61,625	4,993
Real estate segment	Singapore	10.00%	(3,520)	18,471	–
Niessing Manufaktur GmbH & Co. KG ("**NMK**")	Germany	25%	743	3,996	523
31 December 2021					
ALL Group	Singapore	37.44%	5,207	59,111	7,685
Real estate segment	Singapore	10.00%	(2,981)	21,584	–
NMK	Germany	25%	792	4,110	607

Summarised financial information about subsidiaries with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised statement of financial position

	ALL Group		Real estate segment		NMK	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000	$'000	$'000
Current						
Assets	589,693	441,339	452,762	523,217	30,630	30,148
Liabilities	(441,642)	(322,995)	(455,985)	(477,967)	(8,988)	(12,240)
Net current assets/ (liabilities)	148,051	118,344	(3,223)	45,250	21,642	17,908
Non-current						
Assets	236,789	140,605	206,905	219,702	11,031	6,324
Liabilities	(224,476)	(108,393)	(97,056)	(113,092)	(10,449)	(3,647)
Net non-current assets	12,313	32,212	109,849	106,610	582	2,677
Net assets	160,364	150,556	106,626	151,860	22,224	20,585

13. Investment in subsidiaries (Continued)

Summarised financial information about subsidiaries with material NCI (Continued)

Summarised statement of comprehensive income

	ALL Group		Real estate segment		NMK	
	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	319,008	225,703	61,350	51,975	34,283	32,529
Profit/(loss) before income tax	21,804	17,583	(34,339)	(30,386)	3,837	3,941
Income tax (expense)/ credit	(5,727)	(3,042)	1,502	2,411	(864)	(772)
Profit/(loss) after tax	16,077	14,541	(32,837)	(27,975)	2,973	3,169
Other comprehensive income	(763)	135	(11,967)	(7,828)	(1,334)	(1,164)
Total comprehensive income	15,314	14,676	(44,804)	(35,803)	1,639	2,005

Other summarised information

	ALL Group		Real estate segment		NMK	
	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000
Net cash flows (used in)/ generated from operations	(17,220)	(22,104)	20,043	(23,597)	3,004	1,411

Acquisition of ownership interest in a subsidiary, without loss of control

On 28 July 2021, the Company acquired an additional 18.89% equity interest in WCG from its non-controlling interests by way of a scheme of arrangement under Section 210 of the Companies Act 1967. The Company issued 191,249,746 new shares at an issue price of S$0.19 per share, aggregating to $36,340,000, pursuant to the terms of the proposed acquisition by the Company of all the issued ordinary shares in the capital of WCG, other than the WCG Shares held by the Company. Consequentially, WCG became 100% owned by the Company.

Disposal of ownership interest in a subsidiary, without loss of control

i) On 9 June 2021, ALL purchased an aggregate of 1,148,500 shares, which are held as treasury shares in ALL.

ii) On 25 June 2021, ALL transferred 889,500 treasury shares to eligible employees under the ALL Performance Share Plan.

iii) On 16 March, 25 June and 16 August 2021, the Company transferred an aggregate 2,507,900 ordinary shares in the capital of ALL to certain employees of the Company and/or its subsidiaries related to the performance bonus for the fiscal year ended 2019 and 2020.

13. Investment in subsidiaries (Continued)

Disposal of ownership interest in a subsidiary, without loss of control (Continued)

iv) On 13 December 2021, ALL issued an aggregate of 32,000,000 ordinary shares in its capital at an issue price per share of $0.162 for cash via a private placement.

Consequential to the abovementioned events, the Company's ownership interest in ALL decreased from 64.72% to 62.56% as of 31 December 2021.

v) On 24 August and 25 August 2022, ALL purchased an aggregate of 884,000 shares, which are held as treasury shares in ALL.

vi) On 25 August and 29 December 2022, the Company transferred an aggregate 3,794,500 ordinary shares in the capital of ALL to certain employees of the Company and/or its subsidiaries related to the performance bonus for the fiscal year ended 2021 and 2022.

vii) On 31 August 2022, ALL transferred 1,100,800 treasury shares to eligible employees under the ALL Performance Share Plan.

viii) On 30 September 2022, ALL issued an aggregate of 311,656,441 ordinary shares in its capital to the Company on completion of re-organisation of the Target Group.

Consequential to the abovementioned events, the Company's ownership interest in ALL increased from 62.56% to 70.74% as of 31 December 2022.

14. Investment in associates

The Group's investment in associates are summarised below:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000
Kensington Land Pte. Ltd.	–	1,757	–	–
Kensington Village Pte. Ltd.	5,760	6,017	–	–
Silver Bullion Pte. Ltd.	16,423	15,858	–	–
Niessing Schmuck-Kooperation GmbH & Co. KG	1,597	1,597	–	–
AF Global Limited	93,364	98,010	76,529	76,529
	117,144	123,239	76,529	76,529

14. Investment in associates (Continued)

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest 2022 %	2021 %
Held through subsidiaries				
Kensington Land Pte. Ltd. [(i),(iv)]	Singapore	Property development	–	40
Kensington Village Pte. Ltd. [(i)]	Singapore	Property development	40	40
Silver Bullion Pte. Ltd. [(iii)]	Singapore	Sale and storage of investment precious metals	24.10	24.83
Niessing Schmuck-Kooperation GmbH & Co. KG	Germany	Jewellery retailing	50	50
Held by the Company				
AF Global Limited [(ii)]	Singapore	Investment holding and provision of the management services	41.75	41.75

(i) Audited by Deloitte & Touche LLP

(ii) Audited by Ernst & Young LLP, Singapore

(iii) Audited by Foo Koon Tan LLP

(iv) Voluntarily liquidated during the financial year ended 31 December 2022

14. Investment in associates (Continued)

The summarised financial information in respect of Kensington Land Pte. Ltd. ("**KEL**"), Kensington Village Pte. Ltd. ("**KEV**"), Silver Bullion Pte. Ltd. ("**SB**") and AF Global Limited ("**AFG**") based on their FRS financial statements and a reconciliation with the carrying amount of investments in the consolidated financial statements are as follows:

Summarised statement of financial position

	KEL		KEV		SB		AFG	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Current assets	–	4,424	50,613	52,680	62,582	59,821	30,393	28,626
Non-current assets	–	–	9,770	9,770	31,471	29,332	287,903*	302,710*
Total assets	–	4,424	60,383	62,450	94,053	89,153	318,296	331,336
Current liabilities	–	32	40,270	40,445	22,952	38,915	27,236	18,025
Non-current liabilities	–	–	5,712	6,962	14,883	4,655	28,712	39,260
Total liabilities	–	32	45,982	47,407	37,835	43,570	55,948	57,285
Net assets	–	4,392	14,401	15,043	56,218	45,583	262,348	274,051
Less: Non-controlling interest	–	–	–	–	(1,321)	(879)	(50,805)	(52,085)
Net assets excluding non-controlling interest	–	4,392	14,401	15,043	54,897	44,704	211,543	221,966
Proportion of Group's ownership	–	40%	40%	40%	24.10%	24.83%	41.75%	41.75%
Group's share of net assets	–	1,757	5,760	6,017	13,230	11,100	88,319	92,671
Goodwill on acquisition	–	–	–	–	5,492	5,492	–	–
Consolidation adjustments relating to previous interest held indirectly via AF Corporation Pte. Ltd.	–	–	–	–	–	–	11,480#	11,480#
Effects of adopting SFRS(I) 1	–	–	–	–	–	–	(5,706)	(5,512)
Other adjustments	–	–	–	–	(2,299)	(734)	(729)	(629)
Carrying amount of the investment	–	1,757	5,760	6,017	16,423	15,858	93,364	98,010

On 20 December 2019, AF Corporation Pte. Ltd. ("**AFC**") transferred its equity interests held in AFG to the Company. This amount represents the cumulative consolidation adjustments relating to the Group's investment in AFG recorded up to the date of transfer.

Summarised statement of comprehensive income

	KEL		KEV		SB		AFG	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue	–	–	903	802	227,807	372,313	16,240	5,379
(Loss)/profit after tax after NCI	(26)	35	(641)	(225)	3,141	11,147	(553)	(5,826)
Total comprehensive income after NCI	(26)	35	(641)	(225)	3,042	11,138	(10,663)	(12,376)
Group's share of total comprehensive income, after-tax	(10)	14	(257)	(90)	733	2,766	(4,452)	(5,167)
Effects of adopting SFRS(I) 1	–	–	–	–	–	–	(194)	810
Other adjustments	–	–	–	–	160	173	–	–

14. Investment in associates (Continued)

AFG

*Included in AFG's non-current assets is a 55% equity stake in a joint venture, Xuzhou YinJian LumChang Real Estate Development Co., Ltd ("**XZYJLC**"). Due to the litigation between AFG and the joint venture partner that are undergoing court proceedings, AFG has been engaging in negotiations to sell its entire equity stake in XZYJLC to the joint venture partner since 2019.

As at 31 December 2022, AFG has classified the investment in XZYJLC as a non-current asset measured at fair value through other comprehensive income in accordance with SFRS (I) 9 Financial Instruments. Management of AFG has assessed that the RMB 292.8m (equivalent to approximately $56,569,000) consideration as set out in the equity transfer framework agreement to sell 55% equity interest in XZYJLC to its joint venture partner remains the best reasonable estimate of the fair value of the investment in XZYJLC and that the fair value of the investment approximates its carrying amount, after considering the legal negotiation process and actions taken to recover the value of the investment in XZYJLC. Key assumptions used in the valuation of the investment included sale consideration under negotiation and estimated costs to sell. The investment in XZYJLC at fair value through other comprehensive income with carrying amount of $50,627,000 (2021: $55,527,000) is approximately 19% of the net assets of AFG. The net assets of AFG as at 31 December 2022 amount to $262,348,000 (2021: $274,051,000).

15. Investment in a joint venture

The Group's investment in a joint venture is summarised below:

	Group	
	2022	**2021**
	$'000	$'000
Goldheart Bullion Pte. Ltd.	685	718

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2022	**2021**
			%	%
Held through a subsidiary				
Goldheart Bullion Pte. Ltd. ("**GB**") [(a)]	Singapore	Inactive	51	51

(a) Dormant company

The joint venture is incorporated in Singapore and is strategic ventures of the business. The Group jointly controls the ventures with other partners under the respective contractual agreements which provide the Group with rights to the net assets of the joint venture and requires unanimous consent for all major decisions over the relevant activities.

15. Investment in a joint venture (Continued)

The reconciliation with the carrying amount of the investment in the Group's consolidated financial statements is as follows:

Summarised statement of financial position

	GB	
	2022	**2021**
	$'000	$'000
Cash and cash equivalent	983	918
Current assets	–	96
Total assets	983	1,014
Current liabilities	34	–
Total liabilities	34	–
Net assets	949	1,014
Goodwill	394	394
Adjusted net assets	1,343	1,408
Proportion of Group's ownership	51%	51%
Group's share of net assets	685	718
Carrying amount of the investment	685	718

Summarised statement of comprehensive income

	GB	
	2022	**2021**
	$'000	$'000
Revenue	–	17,136
Cost of sales	–	(16,453)
Depreciation	–	(110)
Operating expense	(66)	(342)
Finance cost	–	(56)
Profit before tax	(66)	175
Profit for the year, representing other comprehensive income	(66)	175
Proportion of Group's ownership	51%	51%
Group's share of results of joint venture	(34)	89

16. Investment in joint operations

The Group has a 50% (2021: 50%) equity interest in the ownership and voting rights in two joint operations, Bayfront Ventures Pte. Ltd. and Bayfront Realty Pte. Ltd. that are held through a subsidiary, World Class Land Pte. Ltd..

All joint operations are incorporated in Singapore and are strategic ventures of the business. The Company jointly controls the joint operations with the other partner under the contractual agreements which provide the Company with rights to assets and obligations for the liabilities relating to the joint operations and requires unanimous consent for all major decisions over the relevant activities.

16. Investment in joint operations (Continued)

Details of the Group's material joint operations are as follows:

Name of Company	Principal place of business	Principal activities	Proportion of ownership interest	
			2022	2021
			%	%
Held through a subsidiary				
Bayfront Ventures Pte. Ltd. [(a)]	Singapore	Property development	50	50
Bayfront Realty Pte. Ltd. [(a)]	Singapore	Property development	50	50

(a) Audited by Ernst & Young LLP, Singapore

17. Investment securities

Financial instruments

	Group	
	2022	2021
	$'000	$'000
Current		
At FVOCI		
- Debt securities (quoted)	–	995
- Equity securities (unquoted)	3,528	3,581
	3,528	4,576
At FVPL		
- Equity securities (quoted)	92	92
	3,620	4,668
Add:		
Non-current:		
At FVOCI		
- Debt securities (quoted)	573	2,772
- Equity securities (quoted)	1,302	2,867
- Equity securities (unquoted)	2,277	520
	4,152	6,159
At FVPL		
- Equity securities (unquoted)	31	26
	4,183	6,185
Total investment securities measured at FVOCI and FVPL	7,803	10,853

17. Investment securities (Continued)

Investments pledged as security

A floating charge has been placed on investment securities with a carrying value of $1,967,000 (2021: $6,726,000) as security for bank borrowings (Note 25).

Investments in equity instruments designated at FVOCI

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	
	2022	**2021**
	$'000	$'000
At FVOCI		
- Equity securities (quoted)		
Lippo Malls Indonesia Retail Trust	1,302	2,867
	1,302	2,867
At FVOCI		
- Equity securities (unquoted)		
Trinity House UK Commercial Property Fund 1 IC	3,528	3,581
Others	2,277	520
	5,805	4,101

The Group has elected to measure these equity securities at FVOCI due to the Group's intention to hold these equity instruments for long-term appreciation.

During the financial year ended 31 December 2022, the Group received total dividend income from unquoted equity securities at FVOCI amounting to $140,000 (2021: $1,724,000).

18. Inventories

	Group	
	2022	**2021**
	$'000	$'000
Consolidated statement of financial position:		
Finished goods, at cost or net realisable value	169,568	144,697
Raw materials, at cost	25,648	24,825
Packaging materials, at cost	843	771
Total inventories at lower of cost and net realisable value	196,059	170,293
Consolidated statement of comprehensive income:		
Inventories recognised as an expense in profit or loss	268,400	211,614
Inclusive of the following charge:		
Write-back of inventories	(448)	(497)

A floating charge has been placed on inventories with a carrying value of $99,774,000 (2021: $83,415,000) as security for bank borrowings (Note 25).

During the financial year ended 31 December 2022 and 2021, the write-back of inventories were made when the related inventories were sold above their carrying amounts.

19. Development properties and properties held for sale

(a) ***Development properties***

	Group	
	2022	**2021**
	$'000	$'000
At cost		
At 1 January	218,803	216,505
Addition during the year	–	10,048
Enhancement works incurred	867	–
Adjustment costs incurred	(589)	(914)
Transferred to properties held for sales	(35,929)	–
Allowance for write-down of development properties	(8,371)	(463)
Write-back of allowance for write-down of development properties	739	–
Exchange differences	(11,815)	(6,373)
At 31 December	163,705	218,803

19. Development properties and properties held for sale (Continued)

(a) *Development properties (Continued)*

	Group 2022	Group 2021
	$'000	$'000
Relating to development properties:		
- Located in Singapore	10,915	10,048
- Located outside of Singapore	152,790	208,755
	163,705	218,803

During the financial year ended 31 December 2022, borrowing costs amounting to $222,000 (2021: $Nil) arising from borrowings obtained specifically for the development properties were capitalised and included in development costs.

Development properties amounting to $110,557,000 (2021: $161,099,000) are pledged as security for bank borrowings (Note 25).

Development properties amounting to $35,929,000 (2021: $Nil) were transferred to properties held for sale during the financial year ended 31 December 2022. Immediately before the transfer to properties held for sale, the net realisable value of the transferred development properties in Australia was estimated and an impairment loss of $8,371,000 was recognised. This amount was recognised in "Other operating expenses" line item of profit or loss for the financial year ended 31 December 2022.

During the financial year ended 31 December 2022, a write-back for allowance for write-down of development properties amounting to $739,000 was recognised in "Other income" line item of profit or loss for the financial year ended 31 December 2022.

During the financial year ended 31 December 2021, an impairment loss of $463,000, representing the write-down of the development properties to their net realisable values, was recognised in "Other operating expenses" line item of profit or loss.

The net realisable value of the development properties was based on the estimated selling price less estimated cost of completion and the estimated cost to make the sale.

Details of development properties held by the Group are as follows:

Location	Description and use	Land area (in square metres)	Estimated gross floor area (in square metres)	Tenure	Stage of completion/ development
WCL-Central Park (QLD) Pty. Ltd.					
Nova City 81-83 Spence Street and 112-114 Bunda Street, Cairns, Queensland, Australia	Mixed use development	25,874	115,510	Freehold	Planning and designing
WCL (CNS) CBD Pty. Ltd.					
17 Hartley Street and 6 Kenny Street, Cairns, Queensland, Australia	Mixed use development	16,351	88,295	Freehold	Planning and designing
WCL (QLD) Albert St Pty. Ltd.					
30 Albert Street and 131A Margaret Street, Brisbane, Queensland, Australia	Residential	2,007	76,301	Freehold	Planning and designing

19. Development properties and properties held for sale (Continued)

(a) ***Development properties (Continued)***

Location	Description and use	Land area (in square metres)	Estimated gross floor area (in square metres)	Tenure	Stage of completion/ development
World Class Land (Georgetown) Sdn. Bhd.					
240, 242, 244, 246, 248, 250, 252 & 254 Jalan Dato Kramat and 1, 3, 5, 7, 9, 9A & 9B Lebuh Melaka, Penang, Malaysia	Mixed use development	2,067	12,037	Freehold	Planning and designing
57, 59, 61, 63 & 65 Jalan Tan Sri Teh Ewe Lim and 1, 3, 5, 7, 9 & 11 Lorong Juru, Penang, Malaysia	Commercial	859	1,478	Freehold	Planning and designing
WCL (Magazine) Sdn. Bhd.					
Lots 18, 479, 480 & 10026 Seksyen 11W, Bandar Georgetown, Daerah Timur Laut and 119 Lebuh Noordin, Penang, Malaysia	Mixed use development	2,966	17,496	Freehold	Planning and designing
WCL (Macallum) Sdn. Bhd.					
4, 6, 8, 10, 12, 14, 16 & 18 Lebuh Katz, Penang, Malaysia	Mixed use development	1,470	7,415	Freehold	Planning and designing
Dynamic Project Management Services Pte. Ltd.					
12 Barker Road, Singapore 309880	Residential	473	624	Freehold	Planning and designing

(b) ***Properties held for sale***

	Group	
	2022	**2021**
	$'000	$'000
At cost		
At 1 January	238,166	280,332
Transferred from development properties	35,929	–
Properties sold during the year	(39,123)	(33,216)
Allowance for write-down of properties held for sale	(325)	(897)
Exchange differences	(12,878)	(8,053)
At 31 December	221,769	238,166

During the financial year, the Group carried out a review of the recoverable amount of its properties held for sale. An impairment loss of $325,000 (2021: $897,000), representing the write-down of the properties held for sale to their recoverable amounts, was recognised in "Other operating expenses" line item of profit or loss. The recoverable amounts of properties held for sale were based on the price per square foot for each property derived from the external appraisers' proprietary databases of prices of transactions for properties of similar nature, location and condition as well as committed sale prices.

19. Development properties and properties held for sale (Continued)

(b) ***Properties held for sale (Continued)***

Details of the properties held for sale by the Group are as follows:

Location	Description and use	Land area (in square metres)	Estimated gross floor area (in square metres)	Tenure	Unexpired lease term
Bayfront Ventures Pte. Ltd.					
CityGate 371 Beach Road Singapore	Residential/ commercial units	7,269	3,141[a]	Leasehold	91 years
World Class Land (Georgetown) Sdn. Bhd.					
Ropewalk Piazza 134, 136, 138, 140, 142, 144, 146, 148, 150, 152, 154 & 156 Jalan Pintal Tali, Penang, Malaysia	Commercial	1,085	1,712	Freehold	–
Bahari Parade 69, 71, 73, 75, 77, 79 & 81 Jalan Sri Bahari, Penang, Malaysia	Commercial	846	1,102	Freehold	–
Hutton Central 128, 128A, 128B, 128C, 128D, 128E,128F and 128G Jalan Transfer, Penang, Malaysia	Commercial	487	776	Freehold	–
Hutton Suites 2, 4, 6, 8 & 10 Jalan Hutton, Penang, Malaysia	Commercial	568	897	Freehold	–
WCL (Magazine) Sdn. Bhd.					
Magazine Vista 237, 239, 241 & 243 Jalan Magazine and 2-G, 2-H & 2-I Jalan Gurdwara, Penang, Malaysia	Commercial	646	979	Freehold	–
WCL (Macallum) Sdn. Bhd.					
Macallum Central 51, 53, 55, 57, 59, 61, 63, 65, 67 & 69 Lebuh Macallum, Penang, Malaysia	Commercial	694	1,152	Freehold	–
1, 3, 5 & 7 Lebuh Macallum and 170, 172, 174, 176, 178, 180, 182, 184, 186, 188, 190, 192, 194 & 196 Jalan C.Y. Choy, Penang, Malaysia [b]	Mixed use development	2,703	15,651	Freehold	–
WCL-Southbank (VIC) Pty. Ltd.					
Australia 108 68-82 Southbank Boulevard, Southbank, Melbourne, Victoria, Australia	Residential	2,642	138,282	Freehold	–
WCL (QLD) Margaret St Pty. Ltd.					
240 Margaret Street, Brisbane, Queensland, Australia	Residential	1,715	61,252	Freehold	–

(a) Pertains to the gross floor area of units available for sale, whilst the land area represents the area covered by the CityGate development.

(b) Subsequent to year end, the sale of the property was completed for a consideration amounting to MYR23,500,000 (equivalent to approximately $7,250,000).

As at 31 December 2022, properties held for sale with a carrying value of $221,769,000 (2021: $237,760,000) are pledged as security for bank borrowings (Note 25).

20. Trade and other receivables

	Note	Group 2022	Group 2021	Company 2022	Company 2021
		$'000	$'000	$'000	$'000
Trade and other receivables (current)					
Trade receivables		367,867	337,621	–	–
Other debtors		23,987	4,210	49	50
Deposits		3,720	2,833	–*	–*
		395,574	344,664	49	50
Trade and other receivables (non-current)					
Deposits		4,340	4,328	–	–
		4,340	4,328	–	–
Total trade and other receivables (current and non-current)		399,914	348,992	49	50
Add:					
Due from subsidiaries (non-trade)		–	–	162,182	104,621
Due from associates		2,279	1,250	5	8
Due from a joint venture (non-trade)		–*	–*	–	–
Cash and bank balances	23	53,521	43,295	3,358	300
Less:					
GST receivables, net		(867)	(401)	–	(42)
Tax recoverable		–*	(14)	–	–
Total financial assets at amortised cost		454,847	393,122	165,594	104,937

* Less than $1,000

Trade receivables of the Group's financial service business comprise pawnshop loans, interest receivables on pawnshop loans, secured lending receivables, and interest and distribution receivables on secured lending receivables. Other trade receivables relate to trade receivables of the Group's retail, real estate and other businesses.

Pawnshop loans are loans extended to customers under the pawnbroking business which are interest-bearing at rates ranging between 1.0% to 1.5% for the first month and 1.5% for the subsequent 6 months (2021: 1.0% to 1.5% for the first month and 1.5% for the subsequent 6 months). The quantum of loans granted to customers is based on a portion of the value of the collaterals pledged to the Group.

Secured lending receivables are measured at amortised cost using the effective interest rate method which are interest-bearing at rates ranging between 3.0% to 16.0% (2021: 6.0% to 16.0%) per annum and are secured by way of debenture over properties (2021: debenture over properties). These receivables have remaining maturities of 3 to 12 months (2021: 1 to 6 months).

Other debtors comprise mainly loans given to third parties and is non-interest bearing except for an amount of $19,368,000 (2021: $Nil) which bears interest at 4.08% (2021: Nil%).

All other trade receivables are non-interest bearing and are on cash or generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

20. Trade and other receivables (Continued)

A floating charge has been placed on trade and other receivables with a carrying value of $354,201,000 (2021: $300,431,000) as security for bank borrowings (Note 25). A fixed charge has been placed on trade receivables with a carrying value of $Nil (2021: $5,874,000) as security for term loan (Note 25).

Trade and other receivables denominated in foreign currencies are as follows:

	Group	
	2022	**2021**
	$'000	$'000
United States Dollar	119	143
Australian Dollar	2,969	15,680
Euro	4,455	11,889

Expected credit losses

The movement in allowance for expected credit losses of trade receivables are as follows:

	Group	
	2022	**2021**
	$'000	$'000
Movement in allowance accounts:		
At 1 January	778	778
Charge for the year	4,050	3,852
Written-off	(4,033)	(3,852)
At 31 December	795	778

Receivables that are past due

The Group has no receivables that are past due as at 31 December 2022 and 2021.

21. Due from/(to) immediate holding company, subsidiaries, associates and a joint venture

Included in the amount due from associates is an amount of $180,000 (2021: $26,000) which is trade in nature.

The amounts due from/(to) immediate holding company, subsidiaries, associates and a joint venture are unsecured, receivable/repayable on demand and are to be settled in cash. These amounts are non-interest bearing except for amounts due from subsidiaries of $98,371,000 (2021: $74,104,000) which bear interest ranging from 2.45% to 7.24% (2021: 1.86% to 7.24%) per annum and amount due to a subsidiary of $Nil (2021: $17,861,000) which bear interest ranging from 2.45% to 4.53% (2021: 2.09% to 2.52%) per annum.

22. Derivatives

	Group 31 December 2022			Group 31 December 2021		
	$'000	$'000	$'000	$'000	$'000	$'000
	Contract notional amount	**Assets**	**Liabilities**	**Contract notional amount**	**Assets**	**Liabilities**
Forward currency contracts	87,422	754	(1,525)	74,704	1,100	–
Add:						
Equity securities (quoted) (Note 17)		92	–		92	–
Total financial assets at FVPL		846	(1,525)		1,192	–

As at 31 December 2022, the Group entered into foreign currency forward contracts mainly in Australian Dollar and Euro, maturing within the next 12 months to reduce its exposure to foreign currency risks on Australian Dollar and Euro receivables.

23. Cash and bank balances

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000
Cash at banks and on hand, representing cash and cash equivalents	51,509	40,258	3,358	300
Restricted cash	2,012	3,037	–	–
	53,521	43,295	3,358	300

Cash at banks earns interest at floating rates based on daily bank deposit rates.

23. Cash and bank balances (Continued)

Cash and bank balances denominated in foreign currencies are as follows:

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
United States Dollar	75	597	–	–
Australian Dollar	1,218	507	9	10
British Pound	16	126	–	–
Euro	–*	7	–	–

* Less than $1,000

A floating charge has been placed on cash and bank balances with a carrying value of $18,111,000 (2021: $15,841,000) as security for bank borrowings (Note 25).

An amount of $2,012,000 (2021: $3,037,000) in restricted cash relates to reserve accounts held in escrow by a bank as collateral for loans granted and is mainly used for repayment of loan interest and related development expenditures.

Purchasers' deposit monies of AUD2,126,000 (equivalent to approximately $1,942,000) (2021: AUD8,413,000 (equivalent to approximately $8,243,000)) pertaining to an Australian development project are placed in escrow held by a third party. In addition, purchasers' deposits in the form of bankers' guarantees of AUDNil (equivalent to approximately $Nil) (2021: AUD3,464,000 (equivalent to approximately $3,394,000)) are placed in escrow held by a third party. These balances are not included as assets of the Group as at 31 December 2022 and 2021. The Group will only have access to these funds upon handover of the development units to the purchasers.

24. Trade and other payables

		Group		Company	
	Note	2022	2021	2022	2021
		$'000	$'000	$'000	$'000
Current:					
Trade payables		14,329	11,070	–	–
Other payables		28,598	11,712	275	44
Amount due to a related party		15,750	6,750	11,500	3,500
Accrued operating expenses					
- payroll related		9,785	11,512	1,070	1,413
- property development		7,902	6,131	–	–
- interest		9,094	8,091	1,803	1,755
- others		6,285	5,971	439	381
Deposits received		4,494	4,405	–	–
Withholding tax payable		86	34	–	–
Dividend payable		5,416	–	5,416	–
		101,739	65,676	20,503	7,093

24. Trade and other payables (Continued)

	Note	Group 2022	Group 2021	Company 2022	Company 2021
		$'000	$'000	$'000	$'000
Non-current:					
Other payables					
- amount due to non-controlling shareholders of a subsidiary		4,832	6,007	–	–
- others		80	111	–	–
		4,912	6,118	–	–
Total trade and other payables (current and non-current)		106,651	71,794	20,503	7,093
Add:					
Due to immediate holding company (non-trade)	21	1,650	500	1,650	500
Due to subsidiaries (non-trade)	21	–	–	35,495	58,759
Due to an associate (non-trade)	21	117	2,370	–	–
Interest-bearing loans and borrowings	25	717,587	726,591	8,100	8,912
Medium-term notes	26	253,468	240,250	50,000	50,000
Less:					
GST payables, net		(2,537)	(2,586)	(31)	–
Accrued operating expenses					
- payroll related		(1,102)	(1,252)	(4)	(6)
- provision for reinstatement cost		(958)	(820)	–	–
Withholding tax payable		(86)	(34)	–	–
Total financial liabilities carried at amortised cost		1,074,790	1,036,813	115,713	125,258

Trade and other payables are unsecured, non-interest bearing and repayment is based on payment terms and conditions agreed.

Amount due to non-controlling shareholders of a subsidiary is unsecured, interest-free and not expected to be repaid in the next 12 months.

Amount due a related party is unsecured, interest-free, repayable on demand, and to be settled in cash.

Trade and other payables denominated in foreign currencies are as follows:

	Group 2022	Group 2021
	$'000	$'000
United States Dollar	7,061	4,510
Hong Kong Dollar	1,579	1,354
Australian Dollar	–	2
Euro	860	19

25. Interest-bearing loans and borrowings

	Note	Group		Company	
		2022	2021	2022	2021
		$'000	$'000	$'000	$'000
Current					
Bank borrowings		346,152	293,899	8,100	8,912
Term loans		200,556	245,523	–	–
Overdraft		–	610	–	–
		546,708	540,032	8,100	8,912
Non-current					
Term loans		170,879	186,559	–	–
		717,587	726,591	8,100	8,912
Add:					
Medium-term notes	26	253,468	240,250	50,000	50,000
Total loans and borrowings		971,055	966,841	58,100	58,912

(a) ***Details of securities granted for the loans and borrowings are as follows:***

The Company/Subsidiaries/Joint operations

Interest-bearing loans and borrowings comprise bank borrowings of $407,975,000 (2021: $357,441,000) and term loans of $309,612,000 (2021: $368,540,000).

(i) Bank borrowings of $293,914,000 (2021: $236,771,000) are secured by way of a fixed and floating charge on all assets of certain subsidiaries and corporate guarantees by the subsidiary. Short-term bank borrowings of $Nil (2021: $2,968,000) are secured by way of secured lending receivables of a subsidiary.

(ii) Revolving loans of $25,000,000 (2021: $25,950,000) bear interest ranging from 1.80% to 5.92% (2021: 1.75% to 2.18%) per annum and are secured by way of a fixed and floating charge on all assets of certain subsidiaries or corporate guarantees by the Company and/or subsidiaries. These loans are repayable on demand.

(iii) Revolving loans of $8,100,000 (2021: $8,912,000) bear interest ranging from 1.51% to 5.88% (2021: 1.40% to 1.95%) per annum are secured by way of charge on certain subsidiaries and associate's shares held by the Company.

(iv) Term loans and short-term bank borrowing of $115,947,000 (2021: $117,857,000) bear interest ranging from 0.96% to 6.50% (2021: 1.50% to 3.20%) per annum and are secured by way of legal mortgage over the freehold and leasehold properties. The term loans are repayable in 2025 to 2041 (2021: 2025 to 2041).

(v) Term loans of $4,660,000 (2021: $3,647,000) bear interest ranging from 1.00% to 2.45% (2021: 1.00% to 2.35%) per annum and are secured by way of charge on trade receivables and inventories.

(vi) Term loans of $17,306,000 (2021: $25,643,000) bear interest ranging from 2.00% to 2.50% (2021: 2.00% to 2.50%) per annum and are secured by way of corporate guarantee by the Company and/or subsidiaries.

25. Interest-bearing loans and borrowings (Continued)

(a) ***Details of securities granted for the loans and borrowings are as follows: (Continued)***

The Company/Subsidiaries/Joint operations (Continued)

(vii) Overdraft of $Nil (2021: $610,000) bear interest rate at Nil% (2021: 5.85%) per annum and is secured by way of legal mortgage over the freehold properties and corporate guarantee by the Company and a subsidiary.

(viii) Interest bearing loans and borrowings of $252,619,000 (2021: $304,137,000) bear interest ranging from 1.63% to 6.60% (2021: 1.78% to 7.15%) per annum and are secured by way of:

- legal mortgages over the subsidiaries' property, plant and equipment (Note 10), development properties (Note 19(a)), properties held for sale (Note 19(b)) and investment properties (Note 11);
- legal assignments of subsidiaries' interest under the Sale and Purchase agreements and tenancy agreements in respect of the units therein which includes the assignment of all the sale and rental proceeds;
- fixed and floating charge on all assets of certain subsidiaries;
- guarantees by non-controlling interests of a subsidiary;
- a joint corporate guarantee by the joint operation partners;
- personal guarantees by the subsidiary's director; and/or
- corporate guarantees by the Company and/or subsidiaries.

The loans include financial covenants which require the subsidiaries/joint operations to achieve certain cumulative sales targets and to maintain aggregate outstanding debt secured against the properties not exceeding 45.0% to 80.0% (2021: 45.0% to 80.0%) of the security value of the relevant development properties at all times.

(b) ***Maturity of borrowings***

Loans due after one year are estimated to be repayable as follows:

	Group	
	2022	**2021**
	$'000	$'000
Years after end of reporting period:		
After one year but within two years	22,254	25,169
After two years but within five years	72,223	61,850
After five years	76,402	99,540
	170,879	186,559

26. Medium-term notes

			Aggregate principal amount outstanding			
			Group		Company	
Date issued	Interest rate	Maturity dates	2022	2021	2022	2021
	%		$'000	$'000	$'000	$'000
Current						
22 July 2019 [(1)]	6.35	22 July 2022	–	45,250	–	–
1 July 2021 [(2)]	6.00	1 July 2022	–	70,000	–	–
			–	115,250	–	–
Non-current						
20 March 2020 [(3)]	6.50	20 March 2023	–	50,000	–	50,000
22 January 2021 [(2)]	6.15	22 January 2024	75,000	75,000	–	–
1 July 2021 [(2)]	6.00	1 July 2024	68,941	–	–	–
20 March 2020 [(3)]	6.50 & 6.75	20 March 2025	50,000	–	50,000	–
24 January 2022 [(1)]	6.05	24 January 2025	59,527	–	–	–
			253,468	125,000	50,000	50,000
Total medium-term notes			253,468	240,250	50,000	50,000

Note:

(1) In 2017, a subsidiary of the Company established a Multicurrency Medium Term Note programme ("**MTN Programme**"), under which the subsidiary may issue notes from time to time. Unless previously redeemed or purchased and cancelled, the medium-term notes are redeemable at the principal amounts on the maturity date and interest is payable semi-annually. The medium-term notes issued by the subsidiary under the MTN Programme are unsecured.

As at 31 December 2021, the subsidiary has $45,250,000 of Series 002 Notes at 6.35% due on July 2022.

In January 2022, the subsidiary issued an updated Information Memorandum in relation to the MTN Programme and issued a Notice of Tender for Series 002 Notes of $7,000,000 and Exchange Offer Exercise (the "**Exercise**") Series 002 note holder of $23,250,000.

Upon completion of the Exercise on 24 January 2022, the subsidiary issued $60,000,000 6.05% notes due January 2025 (Series 003 Notes) comprising $23,250,000 in aggregate principal amount of Exchange Offer Notes and $36,750,000 additional notes.

The remaining Series 002 Notes of $15,000,000 are fully redeemed by the subsidiary on maturity.

(2) During the financial year ended 31 December 2018, unsecured medium-term notes issued by a subsidiary of the Company under the Multicurrency Debt and Issuance Programme ("**MDI Programme**") amounted to $100,000,000. During the financial year ended 31 December 2020, unsecured medium-term notes issued by the subsidiary of the Company under the MDI programme amounted to $65,000,000 (to be consolidated and form a single series with the existing $50,000,000 6.25% Notes due 2021 issued on 11 October 2018). As at 31 December 2020, $3,000,000 medium-term notes had been purchased and held by subsidiaries of the Company.

On 4 January 2021, the subsidiary issued a Notice of Exchange Offer Exercise to note holders on the Series 005 and 006 Notes. Upon completion of the Exchange Offer, $64,750,000 principal amount of the existing notes were offered for exchange for Series 008 New Notes. The subsidiary received interest from investors for additional notes (Series 008 Notes) of $10,250,000. The subsidiary issued $75,000,000 6.15% medium-term notes due 2024 on 22 January 2021.

During the financial year ended 31 December 2021, unsecured medium-term notes amounting to $2,750,000 were cancelled by the subsidiary of the Company. On 19 April 2021, $19,000,000 unsecured medium-term notes were redeemed by the Group.

26. Medium-term notes (Continued)

Note (Continued):

On 11 June 2021, the subsidiary issued a Notice of Tender and Exchange Offer Exercise to note holders on the Series 006 Notes. Upon completion of the Tender Offer, $2,250,000 principal amount of the existing notes were offered for sale and accepted by the subsidiary. $66,000,000 principal amount of existing notes were offered for exchange for Series 009 Notes. Following the cancellation of Tender offered notes, the aggregate outstanding existing Series 006 Notes is $10,250,000. In addition to the $66,000,000 principal amount of Exchange Offer Notes, the subsidiary received interest from investors for additional notes (Series 009 Notes) of $4,000,000. The subsidiary issued $70,000,000 6.00% medium-term notes due 2022 on 1 July 2021.

On 11 October 2021, $10,250,000 unsecured medium-term notes were redeemed by the Group.

On 19 May 2022, a subsidiary and the Company extended the maturity date of Series 009 Notes by two years from 1 July 2022 to 1 July 2024 through a resolution in writing passed on behalf of the holders of the Series 009 Notes representing not less than 90 percent of the holders. As at 31 December 2022, $1,000,000 medium-term notes had been purchased and held by the subsidiary.

(3) During the financial year ended 31 December 2020, unsecured medium-term notes issued by the Company under the MDI Programme amounted to $50,000,000 (Series 007 Notes). On 30 November 2022, the Company extended the maturity date by two years from 20 March 2023 to 20 March 2025 through a resolution in writing passed on behalf of the holders of the Series 007 Notes representing not less than 90 percent of the holders. The interest rate of the term notes was revised from 6.50% to 6.75% per annum for its extended tenure for the period beginning on the original maturity date of 20 March 2023.

Interest is payable semi-annually. Unless previously redeemed or purchased and cancelled, the medium-term notes are redeemable at the principal amounts on their respective maturity dates.

A reconciliation of liabilities arising from financing activities is as follows:

		Net cash flows from financing activities	Non-cash changes			
	2021		Foreign exchange movement	Medium-term notes issuance fee	Amortisation of medium-term notes issuance fee	2022
	$'000	$'000	$'000	$'000	$'000	$'000
Medium-term notes	240,250	13,750	–	(914)	382	253,468
Interest-bearing loans and borrowings	726,591	6,412	(15,416)	–	–	717,587
Total	966,841	20,162	(15,416)	(914)	382	971,055

		Net cash flows from financing activities	Non-cash changes	
	2020		Foreign exchange movement	2021
	$'000	$'000	$'000	$'000
Medium-term notes	257,000	(16,750)	–	240,250
Interest-bearing loans and borrowings	641,370	92,197	(6,976)	726,591
Total	898,370	75,447	(6,976)	966,841

27. Leases

Group as a lessee

The Group has lease contracts for land, leased properties, motor vehicles, machinery, tools & equipment, security equipment & office equipment and computer software. Land and leased properties generally have lease terms of 37 years and between 1 to 10 years respectively while other assets have lease terms of 1 to 6 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of leased properties and motor vehicles with lease terms of 12 months or less and leases of vehicles with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) ***Carrying amounts of right-of-use assets***

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Group	Land	Leased properties	Motor vehicles	Machinery, tools & equipment	Security equipment & office equipment	Computer software	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:							
At 1 January 2021	7,628	110,826	250	1,905	61	141	120,811
Additions	–	11,343	135	67	–	–	11,545
Modification	–	16,126	–	–	–	–	16,126
Termination	–	(2,777)	–	–	–	–	(2,777)
Expiry of lease	–	–	(52)	–	–	–	(52)
Exchange differences	–	(280)	(14)	(106)	(3)	(8)	(411)
At 31 December 2021 and 1 January 2022	7,628	135,238	319	1,866	58	133	145,242
Additions	–	8,114	19	865	–	–	8,998
Modification	–	23,974	–	–	–	–	23,974
Termination	–	(7,484)	–	–	–	–	(7,484)
Expiry of lease	–	–	(18)	(566)	(55)	–	(639)
Exchange differences	–	(602)	(20)	(118)	(3)	(8)	(751)
At 31 December 2022	7,628	159,240	300	2,047	–	125	169,340

27. Leases (Continued)

Group as a lessee (Continued)

(a) ***Carrying amounts of right-of-use assets (Continued)***

Group	Land	Leased properties	Motor vehicles	Machinery, tools & equipment	Security equipment & office equipment	Computer software	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated depreciation and impairment:							
At 1 January 2021	226	40,698	126	920	30	66	42,066
Depreciation	208	23,769	84	490	15	33	24,599
Termination	–	(1,427)	–	–	–	–	(1,427)
Expiry of lease	–	–	(52)	–	–	–	(52)
Exchange differences	–	(103)	(10)	(69)	(2)	(5)	(189)
At 31 December 2021 and 1 January 2022	434	62,937	148	1,341	43	94	64,997
Depreciation	209	23,958	88	376	14	30	24,675
Termination	–	(4,050)	–	–	–	–	(4,050)
Impairment	–	189	–	–	–	–	189
Expiry of lease	–	–	(18)	(566)	(55)	–	(639)
Exchange differences	–	(289)	(11)	(90)	(2)	(6)	(398)
At 31 December 2022	643	82,745	207	1,061	–	118	84,774
Net carrying amount:							
At 31 December 2021	7,194	72,301	171	525	15	39	80,245
At 31 December 2022	6,985	76,495	93	986	–	7	84,566

27. Leases (Continued)

Group as a lessee (Continued)

(b) ***Lease liabilities***

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2022	2021
	$'000	$'000
As at 1 January	82,889	80,946
Cash flow:		
- Payments	(26,706)	(25,926)
Non-cash changes:		
- Additions	8,998	11,545
- Accretion of interest (Note 6)	2,090	1,867
- Modification	23,838	16,126
- Termination	(3,540)	(1,378)
Exchange difference	(459)	(291)
As at 31 December	87,110	82,889
Current portion	22,550	23,572
Non-current portion	64,560	59,317
	87,110	82,889

The maturity analysis of lease liabilities is disclosed in Note 35(a).

(c) ***Amounts recognised in profit or loss***

The following are the amounts recognised in profit or loss:

	2022	2021
	$'000	$'000
Depreciation of right-of-use assets	24,675	24,599
Impairment of right-of-use assets	189	–
Interest expense on lease liabilities	2,090	1,867
Gain on modification and termination of lease contracts	(243)	(28)
Expense relating to short-term leases and leases of low-value assets (included in other operating expenses)	209	484
Variable lease payments (included in other operating expenses)	900	789
COVID-19-related rent concessions	(113)	(4,769)
Total amount recognised in profit or loss	27,707	22,942

27. Leases (Continued)

Group as a lessee (Continued)

(d) ***Total cash outflow***

The Group had total cash outflows for leases amounting to $27,702,000 (2021: $22,430,000) in 2022.

Group as a lessor

The Group has entered into commercial property leases on its leasehold building and standing property at the development site acquired for development properties. The non-cancellable leases on its standing property have remaining lease terms of less than 3 years (2021: 3 years).

Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2022	**2021**
	$'000	$'000
Not later than one year	3,086	3,364
Later than one year but not later than five years	2,357	1,620
	5,443	4,984

28. Income tax expense

(a) ***Major components of income tax expense***

The major components of income tax expense for the years ended 31 December 2022 and 2021 are:

	Group	
	2022	**2021**
	$'000	$'000
Consolidated statement of comprehensive income		
Current income tax		
– Current income taxation	9,980	5,085
– Under/(over) provision in respect of previous years	903	(34)
– Withholding tax	(191)	135
	10,692	5,186
Deferred income tax		
– Origination and reversal of temporary differences	(2,878)	(1,540)
– Under provision in respect of previous years	427	285
	(2,451)	(1,255)
Income tax expense recognised in profit or loss	8,241	3,931
Deferred tax credit related to other comprehensive income		
– Net (loss)/gain on fair value changes on equity instruments	(266)	7
– Net gain on fair value changes on debt instruments	9	13
	(257)	20

28. Income tax expense (Continued)

(b) ***Relationship between tax expense and (loss)/profit before tax***

The reconciliation between tax expense and the product of (loss)/profit before tax multiplied by the applicable corporate tax rate for the years ended 31 December 2022 and 2021 are as follows:

	2022	2021
	$'000	$'000
(Loss)/profit before tax	(3,505)	6,586
Tax at the domestic rates applicable to profits in the countries where the Group operates	(2,838)	(110)
Adjustments:		
– Non-deductible expenses	7,217	5,014
– Income not subject to taxation	(501)	(1,846)
– Deferred tax assets not recognised	3,411	925
– Effect of partial tax exemption and tax relief	(424)	(418)
– Under provision in respect of previous years	1,330	251
– Benefits from previously unrecognised tax losses	–	101
– Share of results of associates and a joint venture	5	13
– Disposal of equity instruments carried at FVOCI, which are not recycled to profit or loss	(10)	(16)
– Withholding tax	(191)	135
– Effect of foreign tax credit	(14)	(16)
– Others	256	(102)
Income tax expense recognised in profit or loss	8,241	3,931

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

(c) ***Deferred income tax***

	Group	
	2022	2021
	$'000	$'000
Balance at 1 January	34,100	34,911
Tax (credited)/charged to profit or loss	(1,934)	168
Tax (credited)/charged to other comprehensive income	(257)	20
Under provision in prior years	427	285
Translation difference	(1,876)	(1,284)
Balance at 31 December	30,460	34,100

28. Income tax expense (Continued)

(c) ***Deferred income tax (Continued)***

Deferred income tax relates to the following:

Deferred tax liabilities, net

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000
Differences in depreciation for tax purposes	1,558	7,327	12	8
Leases	(123)	(6,069)	–	–
Uncompleted project expenses	22,634	29,228	–	–
Revaluations to fair value:				
– Investment properties	5,511	5,215	–	–
Provisions	2,382	2,118	(1)	(1)
Unutilised tax losses	675	620	–	–
Others	(134)	(120)	–	–
	32,503	38,319	11	7

Deferred tax assets, net

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000
Differences in depreciation for tax purposes	(129)	1,302	–	–
Leases	(54)	(1,669)	–	–
Provisions	(232)	(135)	–	–
Unutilised tax losses	(1,154)	(3,502)	–	–
Revaluations to fair value:				
– Debt and equity securities held at FVOCI	(481)	(223)	–	–
Others	7	8	–	–
	(2,043)	(4,219)	–	–

28. Income tax expense (Continued)

(c) ***Deferred income tax (Continued)***

At the end of the reporting period, the Group has unutilised tax losses and unabsorbed capital allowances of approximately $33,904,000 (2021: $39,924,000) and $306,000 (2021: $578,000) that are available for offset against future taxable profits of the Group, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these balances is subject to the agreement of the tax authorities and compliance with the relevant provisions of the tax legislation of the respective countries in which the companies operate.

The subsidiaries of the Group transferred tax losses of approximately $4,629,000 (2021: $10,113,000) to other subsidiaries within the Group and related companies under the group relief system, subject to compliance with the relevant rules and agreement of Inland Revenue Authority of Singapore.

Tax consequences of proposed dividends

There are no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 30).

29. Share capital, treasury shares and other reserves

(a) ***Share capital***

	Group and Company			
	2022		2021	
	No. of shares ‘000	$’000	No. of shares ‘000	$’000
Issued and fully paid ordinary shares				
At 1 January	2,171,578	267,574	1,945,896	226,930
Acquisition of non-controlling interest in a subsidiary [1]	–	–	191,250	36,340
Scrip Dividend Scheme [2]	–	–	34,432	4,304
Balance at 31 December	2,171,578	267,574	2,171,578	267,574

Note:

(1) On 28 July 2021, the Company issued 191,249,746 new shares at an issue price of $0.19 per share, aggregating $36,340,000, pursuant to the terms of the proposed acquisition by the Company of all the issued ordinary shares in the capital of World Class Global Pte. Ltd. (“**WCG**”) (formerly known as World Class Global Limited), other than the WCG Shares held by the Company, by way of a scheme of arrangement under Section 210 of the Companies Act 1967.

(2) On 25 October 2021, the Company issued 34,432,095 new shares at an issue price of $0.125 per share to eligible Shareholders who have elected to participate in the Company’s scrip dividend scheme.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

29. Share capital, treasury shares and other reserves (Continued)

(b) ***Treasury shares***

	Group and Company			
	2022		2021	
	No. of shares '000	$'000	No. of shares '000	$'000
At 1 January	5,384	1,482	6,469	1,781
Treasury shares reissued pursuant to Aspial Performance Share Plan [1]	–	–	(1,085)	(299)
Share buyback [2]	2,756	222	–	–
Balance at 31 December	8,140	1,704	5,384	1,482

Treasury shares relate to ordinary shares of the Company that are held by the Company.

Note:

[1] On 18 January 2021, the Company transferred 1,085,300 treasury shares to eligible employees under the Aspial Performance Share Plan.

[2] From October to December 2022, the Company purchased an aggregate of 2,756,600 shares amounting to $222,000, which are held as treasury shares.

(c) ***Other reserves***

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Gain on reissuance of treasury shares	913	913	913	913
Discount on dilution of interests in subsidiary	11,465	13,890	–	–
Foreign currency translation reserve	(22,215)	(8,206)	–	–
Premium paid on acquisition of non-controlling interests	(29,894)	(28,655)	–	–
Fair value adjustment reserve	(10,568)	(9,623)	–	–
Change in ownership interest in subsidiary without a change in control	1,855	853	–	–
Hedging reserve	(49)	–	–	–
	(48,493)	(30,828)	913	913

Gain on reissuance of treasury shares

This represents the gain arising from the purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

Discount on dilution of interests in subsidiary

This represents the difference between the consideration received and the carrying value of non-controlling interests adjusted upon dilution of interests in subsidiary.

29. Share capital, treasury shares and other reserves (Continued)

(a) ***Other reserves (Continued)***

Premium paid on acquisition of non-controlling interests

This represents the difference between the consideration paid and the carrying value of non-controlling interests adjusted upon acquisition of interests in subsidiary.

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of financial assets until they are disposed of or impaired.

Hedging reserve

Hedging reserve represents the cumulative fair value changes on foreign currency forward contracts.

30. Dividends

	Group
	$'000
Dividends on ordinary shares declared and payable/paid during the year:	
Financial year ended 31 December 2022	
– Final exempt (one-tier) dividend for FY2021: 0.25 cent per share on 2,163,437,645 shares in issue as at 31 December 2022 at a book closure date yet to be determined	5,416
	5,416
Financial year ended 31 December 2021	
– Final exempt (one-tier) dividend for FY2019: 0.25 cent per share on 192,335,046 shares	481
	481

	Group	
	2022	**2021**
	$'000	$'000
Proposed but not recognised as a liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at AGM:		
– Final exempt (one-tier) dividend for FY2021: 0.25 cent per share on 2,166,194,245 shares	–	5,416
	–	5,416

31. Related party transactions

(a) ***Sale and purchase of goods, services and shares***

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial year:

	Group	
	2022	**2021**
	$'000	$'000
Goods purchased from an affiliated company	1,190	1,519
Rental received from an associate	167	198
Marketing income paid to an associate	224	85
Management fee received from an associate	488	488
Sales of goods to an associate	9,369	8,145

(b) ***Compensation of key management personnel***

	Group	
	2022	**2021**
	$'000	$'000
Short-term employee benefits	4,452	4,065
Defined contributions plan	135	123
Share-based payments	80	90
Total compensation paid to key management personnel	4,667	4,278
Comprise amounts paid to:		
Directors of the Company	1,175	1,109
Directors of the subsidiaries	856	619
Other key management personnel	2,636	2,550
	4,667	4,278

32. Commitments

Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2022	**2021**
	$'000	$'000
Capital commitments in respect of property development expenditure	5,916	8,612
Capital commitments in respect of property, plant and equipment	–	4,056
	5,916	12,668

As at 31 December 2021, the Group has capital commitments of $4,056,000 in respect of acquisition of a property from external party. The acquisition was completed on 1 January 2022, in which is financed by mortgage loans from banks.

The Group has entered into lease agreements for retail outlets with lease terms that have not yet commenced as at 31 December 2022. The future lease payments for these non-cancellable lease contracts are $560,000 within one year, $4,047,000 within five years and $1,535,000 thereafter.

The Group has capital expenditure contracted for as at 31 December 2022 but not recognised in the financial statements of $24,000 and $144,000 for software development and new outlet renovation.

33. Contingencies

Guarantees

The Company has provided the following guarantees at the end of the reporting period:

- It has guaranteed its interest in its share of the bank loans of joint operations amounting to $19,137,000 (2021: $20,360,000).

- It has guaranteed part of the loans and borrowings of the associates to a maximum amount of $15,112,000 (2021: $15,648,000), of which it is severally liable for in the event of default by the associates.

- It has guaranteed the obligations of a subsidiary for notes amounting to total principal amount of $144,000,000 (2021: $145,000,000).

The Company has provided corporate guarantees to banks for an aggregate of $137,097,000 (2021: $140,147,000) in respect of bank borrowings drawn down by certain subsidiaries, joint operations and associates (Note 25).

34. Segment information

Business segments

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 products and services offered. The 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 is organised into three main operating business segments, namely:

(a) Retail of jewellery;

(b) Real estate business; and

(c) Financial service business.

Other operations include rental of properties and provision of other support services.

The comparative segmental disclosure for 31 December 2021 had been restated to reflect the internal re-organisation of the Group's retail of jewellery segment as disclosed in Note 13.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly tax liabilities, corporate assets, liabilities and expenses.

Transfer prices between operating segments are based on contractual agreements. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Capital expenditure comprises additions to property, plant and equipment.

34. Segment information (Continued)

	Retail	Real estate	Financial service	Others	Elimination	Group	Note
	$'000	$'000	$'000	$'000	$'000	$'000	
2022							
Revenue	391,238	61,350	53,648	–	–	506,236	
Inter-segment revenue	22	–	44,727	–	(44,749)	–	A
Results							
Segment results	32,504	(10,474)	19,074	100,287	(104,122)	37,269	
Unallocated expenses	–	–	–	–	–	(266)	
Share of results of joint ventures	28	–	–	61	(123)	(34)	
Share of results of associates	1,540	(267)	–	(165)	–	1,108	
Interest income	612	570	–	19,475	(19,322)	1,335	
Finance costs	(3,423)	(24,168)	(9,728)	(24,920)	19,322	(42,917)	
Profit/(loss) before tax from operations	31,261	(34,339)	9,346	94,738		(3,505)	
Segment assets	321,184	653,908	432,500	997,937	(909,075)	1,496,454	B
Investment in joint ventures	685	–	–	–		685	
Investment in associates	18,020	5,760	–	93,364		117,144	
Total assets	339,889	659,668	432,500	1,091,301		1,614,283	
Segment liabilities	248,278	553,042	384,078	652,826	(620,307)	1,217,917	C
Total liabilities						1,217,917	
Capital expenditure	9,840	6,217	1,640	380	–	18,077	
Depreciation and amortisation	18,476	286	11,141	3,352	–	33,255	
Other significant non-cash (income)/ expenses	(1,387)	1,595	4,615	(373)	2,912	7,362	D

34. Segment information (Continued)

	Retail	Real estate	Financial service	Others	Elimination	Group	Note
	$'000	$'000	$'000	$'000	$'000	$'000	
2021 (Restated)							
Revenue	317,076	51,975	48,125	–	–	417,176	
Inter-segment revenue	13	–	41,121	–	(41,134)	–	A
Results							
Segment results	28,318	(7,682)	14,797	33,544	(27,902)	41,075	
Unallocated expenses	–	–	–	–	–	(266)	
Share of results of joint ventures	146	–	–	57	(114)	89	
Share of results of associates	2,938	(76)	–	(2,341)	–	521	
Interest income	321	1,282	8	19,425	(19,256)	1,780	
Finance costs	(2,158)	(23,910)	(5,982)	(23,811)	19,248	(36,613)	
Profit/(loss) before tax from operations	29,565	(30,386)	8,823	26,874		6,586	
Segment assets	299,437	735,146	403,438	937,321	(882,741)	1,492,601	B
Investment in joint ventures	2,184	–	–	1,466	(2,932)	718	
Investment in associates	17,456	7,773	–	98,010	–	123,239	
Total assets	319,077	742,919	403,438	1,036,797		1,616,558	
Segment liabilities	226,506	591,059	355,060	613,103	(606,700)	1,179,028	C
Total liabilities						1,179,028	
Capital expenditure	3,878	5,977	1,821	23,214	–	34,890	
Depreciation and amortisation	17,746	233	11,829	3,396	–	33,204	
Other significant non-cash (income)/ expenses	(241)	(811)	3,754	(108)	392	2,986	D

34. Segment information (Continued)

Notes

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2022	2021
	$'000	$'000
Inter-segment assets	909,075	885,673

C The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2022	2021
	$'000	$'000
Inter-segment liabilities	620,307	606,700

D Other non-cash expenses comprise mainly the following items as presented in the respective notes to the financial statements.

	2022	2021
	$'000	$'000
Property, plant and equipment written-off	235	306
Net fair value (gain)/loss on investment properties	(1,570)	2,692
Write-back of allowance for write-down on development properties	(739)	–
(Reversal of)/impairment loss on investment securities, net	(20)	145
Write-back of inventories	(448)	(497)
Allowance for write-down of development properties	8,371	463
Allowance for write-down of properties held for sale	325	897
Allowance for expected credit loss on trade and other receivables	4,050	3,852
Fair value (gain)/loss on investment securities	(1,291)	24
Impairment loss on property, plant and equipment	526	–
Impairment loss on right-of-use assets	189	–
Net fair value gain on derivatives	(2,266)	(4,896)
	7,362	2,986

34. Segment information (Continued)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2022	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000
Singapore	393,472	319,910	280,170	272,405
Australia	63,396	55,578	63,828	80,797
Malaysia	7,017	2,578	86,451	86,589
Greater China	7,782	5,823	2,126	4,734
Europe	34,569	33,287	11,013	6,305
	506,236	417,176	443,588	450,830

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets, investment properties and intangible assets.

35. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include liquidity risk, interest rate risk, foreign currency risk, credit risk and market price risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for use as hedging instruments where appropriate and cost-efficient.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) ***Liquidity risk***

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities for its business. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. For the real estate business, the properties are pledged as security for loans and borrowings secured to finance property purchase or development. Repayment of the loans and borrowings is generally upon receipt of sales proceeds.

The Group and the Company monitor and mantain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and mitigate the effect of fluctuation in cash flows.

35. Financial risk management objectives and policies (Continued)

(a) *Liquidity risk (Continued)*

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
31 December 2022				
Group				
Financial liabilities:				
Trade and other payables	97,056	4,912	–	101,968
Due to immediate holding company (non-trade)	1,650	–	–	1,650
Due to an associate (non-trade)	117	–	–	117
Derivative financial instruments	1,525	–	–	1,525
Interest-bearing loans and borrowings	560,333	110,608	90,544	761,485
Medium-term notes	15,731	263,753	–	279,484
Lease liabilities	24,275	58,942	13,537	96,754
Total undiscounted financial liabilities	700,687	438,215	104,081	1,242,983
31 December 2021				
Group				
Financial liabilities:				
Trade and other payables	60,984	6,118	–	67,102
Due to immediate holding company (non-trade)	500	–	–	500
Due to an associate (non-trade)	2,370	–	–	2,370
Interest-bearing loans and borrowings	547,836	122,860	95,761	766,457
Medium-term notes	126,785	130,572	–	257,357
Lease liabilities	25,520	52,361	15,275	93,156
Total undiscounted financial liabilities	763,995	311,911	111,036	1,186,942

35. Financial risk management objectives and policies (Continued)

(a) ***Liquidity risk (Continued)***

Analysis of financial instruments by remaining contractual maturities (Continued)

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
31 December 2022				
Company				
Financial liabilities:				
Trade and other payables	20,468	–	–	20,468
Due to immediate holding company (non-trade)	1,650	–	–	1,650
Due to subsidiaries (non-trade)	35,495	–	–	35,495
Interest-bearing loans and borrowings	8,136	–	–	8,136
Medium-term notes	3,348	54,096	–	57,444
Total undiscounted financial liabilities	69,097	54,096	–	123,193
Financial guarantees*	99,658	29,185	4,436	133,279
31 December 2021				
Company				
Financial liabilities:				
Trade and other payables	7,087	–	–	7,087
Due to immediate holding company (non-trade)	500	–	–	500
Due to subsidiaries (non-trade)	58,759	–	–	58,759
Interest-bearing loans and borrowings	8,926	–	–	8,926
Medium-term notes	3,250	50,695	–	53,945
Total undiscounted financial liabilities	78,522	50,695	–	129,217
Financial guarantees*	110,307	29,124	5,301	144,732

* This shows the contractual expiry by maturity of the Company's contingent liabilities. The maximum amount of the financial guarantee contracts are allocated to the earliest period which the guarantee could be called.

35. Financial risk management objectives and policies (Continued)

(b) ***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. Other than the medium-term notes and certain bank borrowings which are at fixed rates, the Group's loans and borrowings are at floating rates which are contractually repriced at intervals of less than 6 months from the end of the reporting period.

The Group's policy is to manage interest cost by using a mix of fixed and floating rate debts. At the end of the reporting period, medium-term notes of $253,468,000 (2021: $240,250,000) and loans of $29,529,000 (2021: $37,208,000) are at fixed rates of interest.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if SGD, Australian Dollar and Malaysia Ringgit interest rates had been 50 (2021: 50) basis points lower/higher with all other variables held constant, the Group's loss before tax (2021: profit before tax) would have been $3,404,000 (2021: $3,410,000) lower/higher (2021: higher/lower), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. If at the end of the reporting period, SGD interest rates had been 50 (2021: 50) basis points lower/higher with all other variables held constant, the Group's development properties would have been $37,000 (2021: $37,000) lower/higher, arising mainly as a result of lower/higher borrowing cost on floating rate loans and borrowings.

(c) ***Foreign currency risk***

The jewellery business has transactional currency exposures arising from purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily SGD and EURO ("**EUR**"). The foreign currencies in which these transactions are denominated are mainly United States Dollars ("**USD**"), Hong Kong Dollars ("**HKD**"), Japanese Yen ("**JPY**") and EUR. Approximately 50% (2021: 50%) of the jewellery business purchases are denominated in foreign currencies. Trade payable balances at the end of the reporting period have similar exposures.

The real estate business has transactional currency exposures arising from loans extended by WCG, a subsidiary of the Group, to WCG's subsidiaries in Malaysia. These loans are denominated in MYR, whereas WCG's functional currency is SGD.

The Group has transactional currency exposures arising from investments that are denominated in a currency other than the respective functional currencies of the Group entities. The foreign currencies in which these transactions are denominated are mainly AUD, EUR, USD and HKD.

The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes.

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia and Australia. As disclosed in Note 22, the Group entered into forward currency contracts during the financial year to mitigate its exposure to foreign currency risks on AUD. The Group's net investments in Malaysia are not hedged as currency positions in MYR are considered to be long-term in nature.

35. Financial risk management objectives and policies (Continued)

(c) *Foreign currency risk (Continued)*

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's (loss)/profit before tax to a reasonably possible change in the USD, HKD, MYR and AUD exchange rates (against SGD), with all other variables held constant.

	Loss before tax 2022	**Profit before tax 2021**
	$'000 lower/(higher)	$'000 (lower)/higher
USD - strengthened 5% (2021: 5%)	(343)	(189)
- weakened 5% (2021: 5%)	343	189
HKD - strengthened 5% (2021: 5%)	(74)	(68)
- weakened 5% (2021: 5%)	74	68
MYR - strengthened 5% (2021: 5%)	5,577	5,494
- weakened 5% (2021: 5%)	(5,577)	(5,494)
AUD - strengthened 5% (2021: 5%)	(5,255)	(355)
- weakened 5% (2021: 5%)	5,255	355

(d) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables and cash and bank balances. The Group minimises credit risk by requiring collateral and/or dealing with credit worthy counter-parties.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the borrower;
- Significant increases in credit risk on other financial instruments of the same borrower;
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrower in the group and changes in the operating results of the borrower.

35. Financial risk management objectives and policies (Continued)

(d) ***Credit risk (Continued)***

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; and
- There is a disappearance of an active market for that financial asset because of financial difficulty.

Financial assets 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. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are classes of financial assets that are exposed to credit risk:

(i) *Secured lending receivables*

Secured lending receivables are secured by way of collateralised real estate held by the investment trustee. Although the collateral does not influence whether the financial instrument has a low credit risk, the expected cash flows in the assessment of net lifetime expected credit losses will include cash flows from the sale of collateral held.

(ii) *Pawnshop loans*

Collateralised nature of the pawnshop loans whereby the quantum of loans granted to customers is based on a fraction of the value of the collaterals pledged to the Group. Although the collateral does not influence whether the financial instrument has a low credit risk, the expected cash flows in the assessment of net lifetime expected credit losses will include cash flows from the sale of collateral held.

(iii) *Expected credit losses of pawnshop loans and interest receivables on pawnshop loans*

The Group uses a provision matrix to estimate the allowance for ECLs on pawnshop loans and interest receivables on pawnshop loans. The key inputs of the Group's ECLs model are the probability of default and loss given default. The Group has estimated the probability of default being the forfeiture of the customers' pledges based on historical non-redemption data of its pawnshop outlets. The Group has estimated the loss exposure at default after considering the expected realisable value of the customers' pledges.

Significant judgement and estimation are involved in using the historical non-redemption data to derive the probability of default as well as considering any forward-looking economic information.

35. Financial risk management objectives and policies (Continued)

(d) ***Credit risk (Continued)***

(iv) *Quoted debt instruments*

For those quoted debt instruments that are assessed to be of low credit risk and externally rated, the Group applied the low credit operational simplification and determined that no significant increase in credit risk has occurred. There is no significant impact arising from estimation of loss allowance based on a 12-month probability of default and loss given default, which would result in impairment losses to be recognised in profit or loss.

For those quoted debt instruments that are assessed to be of high credit risk and externally rated, the Group applies the lifetime ECLs approach and records impairment losses to profit or loss.

(v) *Amounts due from subsidiaries and associates*

The Company uses the general approach and estimates the 12-month expected credit losses when there is no indication of significant deterioration in credit risk based on the financial performance of its related entities. When a significant increase in credit risk has occurred, the Company estimates the lifetime ECLs for such financial assets.

The movement in the loss allowance provision is as follows:

	Group			Company	
	Trade receivables at amortised cost	**Debt securities at FVOCI**	**Amount due from associates at amortised cost**	**Amounts due from subsidiaries at amortised cost**	**Amount due from associates at amortised cost**
	$'000	$'000	$'000	$'000	$'000
As at 1 January 2022	778	3,178	–	1,041	–
Loss allowance measured at:					
Lifetime ECLs					
- Credit risk has increased significantly since initial recognition	4,050	(18)	–	–	–
- Written-off	(4,033)	(2)	–	–	–
As at 31 December 2022	795	3,158	–	1,041	–

35. Financial risk management objectives and policies (Continued)

(d) ***Credit risk (Continued)***

	Group			Company	
	Trade receivables at amortised cost	**Debt securities at FVOCI**	**Amount due from associates at amortised cost**	**Amounts due from subsidiaries at amortised cost**	**Amount due from associates at amortised cost**
	$'000	$'000	$'000	$'000	$'000
As at 1 January 2021	778	3,177	–	1,041	–
Loss allowance measured at:					
Lifetime ECLs					
- Credit risk has increased significantly since initial recognition	3,852	3	–	–	–
- Written-off	(3,852)	(2)	–	–	–
As at 31 December 2021	778	3,178	–	1,041	–

Excessive risk concentration

Concentration arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentration of risk, the Group focuses on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. As at 31 December 2022 and 2021, there was no significant concentration of credit risk.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 20.

Financial assets that neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and bank balances that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 20.

35. Financial risk management objectives and policies (Continued)

(e) ***Market price risk***

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to price risk arising from its investment in quoted debt securities. These debt securities are quoted on the SGX-ST in Singapore and are classified as available-for-sale financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for market price risk

At the end of the reporting period, if the quoted market price of the debt securities held at FVOCI had been 2% (2021: 2%) higher/lower with all other variables held constant, the Group's other comprehensive income would have been $11,000 (2021: $75,000) higher/lower, arising as a result of an increase/decrease in the fair value of debt securities classified as FVOCI.

At the end of the reporting period, if the quoted market price of the equity securities held at FVOCI and FVPL had been 2% (2021: 2%) higher/lower with all other variables held constant, the Group's other comprehensive income and loss before tax (2021: profit before tax) would have been $26,000 (2021: $57,000) and $2,000 (2021: $2,000) lower/higher (2021: higher/lower) respectively, arising as a result of an increase/decrease in the fair value of equity securities classified as FVOCI and FVPL respectively.

36. Fair value of assets and liabilities

(a) ***Fair value hierarchy***

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.

36. Fair value of assets and liabilities (Continued)

(b) ***Assets measured at fair value***

The following table shows an analysis of each class of assets measured at fair value at the end of the reporting period:

	Group 2022			
	Quoted prices in active markets for identical assets (Level 1)	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	$'000	$'000	$'000	$'000
Assets measured at fair value				
Financial assets				
At FVOCI				
Debt securities (quoted) (Note 17)	573	–	–	573
Equity securities (quoted) (Note 17)	1,302	–	–	1,302
Equity securities (unquoted) (Note 17)	–	–	5,805	5,805
At FVPL				
Equity securities (quoted) (Note 17)	92	–	–	92
Equity securities (unquoted) (Note 17)	–	–	31	31
Derivatives (Note 22)	–	754	–	754
	1,967	754	5,836	8,557
Financial liabilities				
At FVPL				
Derivatives (Note 22)	–	(1,525)	–	(1,525)
Non-financial assets				
Investment properties				
Singapore (Note 11)	–	–	63,310	63,310
Malaysia (Note 11)	–	–	15,456	15,456
Australia (Note 11)	–	–	63,696	63,696
	–	–	142,462	142,462

36. Fair value of assets and liabilities (Continued)

(b) ***Assets measured at fair value (Continued)***

	Group 2021			
	Quoted prices in active markets for identical assets (Level 1)	**Significant observable inputs other than quoted prices (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	$'000	$'000	$'000	$'000
Assets measured at fair value				
Financial assets				
At FVOCI				
Debt securities (quoted) (Note 17)	3,767	–	–	3,767
Equity securities (quoted) (Note 17)	2,867	–	–	2,867
Equity securities (unquoted) (Note 17)	–	–	4,101	4,101
At FVPL				
Equity securities (quoted) (Note 17)	92	–	–	92
Equity securities (unquoted) (Note 17)	–	–	26	26
Derivatives (Note 22)	–	1,100	–	1,100
	6,726	1,100	4,127	11,953
Non-financial assets				
Investment properties				
Singapore (Note 11)	–	–	66,770	66,770
Malaysia (Note 11)	–	–	16,466	16,466
Australia (Note 11)	–	–	76,865	76,865
	–	–	160,101	160,101

(c) ***Level 2 fair value measurements***

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Derivatives

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing, using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, and forward rate curves.

36. Fair value of assets and liabilities (Continued)

(d) *Level 3 fair value measurements*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements*

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3).

Description	Fair value at 31 December 2022	Valuation techniques	Unobservable inputs	Range of unobservable inputs
	$'000			$
Recurring fair value measurements				
Investment securities:				
Equity securities (unquoted) at FVPL (Note 17)	31	Net asset value	Note 1	Not applicable
Equity securities (unquoted) at FVOCI (Note 17)	5,805	Recent transaction price, Net asset value	Note 2	Not applicable
Investment properties:				
Singapore	63,310	Market comparison approach	Price per square feet	1,781 – 4,696
Malaysia	15,456	Market comparison approach	Price per square feet	269 – 395
Australia	63,696	Market comparison approach	Price per square metre	7,338 – 16,252

Description	Fair value at 31 December 2021	Valuation techniques	Unobservable inputs	Range of unobservable inputs
	$'000			$
Recurring fair value measurements				
Investment securities:				
Equity securities (unquoted) at FVPL (Note 17)	26	Net asset value	Note 1	Not applicable
Equity securities (unquoted) at FVOCI (Note 17)	4,101	Recent transaction price, Net asset value	Note 2	Not applicable
Investment properties:				
Singapore	66,770	Market comparison approach	Price per square feet	1,754 – 8,420
Malaysia	16,466	Market comparison approach	Price per square feet	295 – 427
Australia	76,865	Market comparison approach	Price per square metre	7,800 – 16,895

36. Fair value of assets and liabilities (Continued)

(d) ***Level 3 fair value measurements (Continued)***

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements (Continued)*

Investment properties

In determining fair values, valuation techniques used by external appraisers involved certain estimates and assumptions. For certain valuation reports, the external appraisers have continued to highlight current conditions of rapid changes in market and economic condition which have resulted in higher degree of uncertainty. For investment properties, a significant increase/(decrease) in price per square feet based on management's assumptions would result in a significantly higher/(lower) fair value measurement.

Note 1 – Unquoted equity securities at FVPL

Unquoted equity securities at FVPL relates to investment in a company which has been loss making and management has used net asset value as proxy for fair value as net asset of the investee mainly related to cash.

Note 2 – Unquoted equity securities at FVOCI

Included in unquoted equity securities at FVOCI as at 31 December 2022 is an amount of $2,277,000 (2021: $520,000) determined based on the latest transaction price of funding exercise by the investee.

$3,528,000 (2021: $3,581,000) of unquoted equity securities at FVOCI as at 31 December 2022 is determined based on net asset values disclosed in the financial statements of the investee. This relates to a fund with investments in real estates stated at fair values. The Group has determined that the net asset value of the investment approximate its fair value.

36. Fair value of assets and liabilities (Continued)

(d) ***Level 3 fair value measurements (Continued)***

(ii) *Movements in Level 3 assets measured at fair value*

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)					
	Unquoted equity securities at FVOCI	Unquoted equity securities at FVPL	Investment properties			Total
			Singapore	Malaysia	Australia	
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
2022						
Opening balance	4,101	26	66,770	16,466	76,865	164,228
Additions	225	–	–	–	–	225
Net gain/(loss) on fair value adjustments of investment properties, representing total gains or losses for the year included in profit or loss	–	–	2,540	–	(970)	1,570
Net gain on fair value adjustments on unquoted equity at FVOCI	1,479	–	–	–	–	1,479
Reversal of impairment on unquoted equity securities at FVPL, representing total gains or losses for the year included in profit or loss	–	5	–	–	–	5
Settlements	–	–	(6,000)	–	(7,042)	(13,042)
Exchange differences	–	–	–	(1,010)	(5,157)	(6,167)
Closing balance	5,805	31	63,310	15,456	63,696	148,298

36. Fair value of assets and liabilities (Continued)

(d) ***Level 3 fair value measurements (Continued)***

(ii) *Movements in Level 3 assets measured at fair value (Continued)*

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)					
	Unquoted equity securities at FVOCI	Unquoted equity securities at FVPL	Investment properties			Total
			Singapore	Malaysia	Australia	
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
2021						
Opening balance	5,993	51	62,050	16,695	81,908	166,697
Transfer from property, plant and equipment	–	–	6,000	–	–	6,000
Additions	520	–	–	–	–	520
Net loss on fair value adjustments of investment properties, representing total gains or losses for the year included in profit or loss	–	–	(1,280)	–	(1,412)	(2,692)
Net loss on fair value adjustments on unquoted equity at FVOCI	(2,412)	–	–	–	–	(2,412)
Impairment loss on unquoted equity securities at FVPL, representing total gains or losses for the year included in profit or loss	–	(25)	–	–	–	(25)
Settlements	–	–	–	–	(543)	(543)
Exchange differences	–	–	–	(229)	(3,088)	(3,317)
Closing balance	4,101	26	66,770	16,466	76,865	164,228

(iii) *Valuation policies and procedures*

The Group's Chief Financial Officer oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 *Fair Value Measurement* guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

36. Fair value of assets and liabilities (Continued)

(d) ***Level 3 fair value measurements (Continued)***

(iii) *Valuation policies and procedures (Continued)*

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information is reasonably available. Management has also considered the reports and representations provided by the investment manager.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

(e) ***Assets and liabilities not carried at fair value but for which fair value is disclosed***

The following table shows an analysis of the Group's assets and liabilities not measured at fair value but for which fair value is disclosed:

	Quoted prices in active markets for identical assets (Level 1)	Significant unobservable inputs (Level 3)	Fair value Total	Carrying amount
	$'000	$'000	$'000	$'000
Group				
2022				
Assets:				
Non-current:				
Other receivables	–	4,340	4,340	4,340
Liabilities:				
Non-current:				
Medium-term notes	247,194	–	247,194	253,468
Other payables	–	4,912	4,912	4,912
2021				
Assets:				
Non-current:				
Other receivables	–	4,212	4,212	4,328
Liabilities:				
Current:				
Medium-term notes	115,406	–	115,406	115,250
Non-current:				
Medium-term notes	126,736	–	126,736	125,000
Other payables	–	5,865	5,865	6,118

36. Fair value of assets and liabilities (Continued)

(e) ***Assets and liabilities not carried at fair value but for which fair value is disclosed (Continued)***

	Quoted prices in active markets for identical assets (Level 1)	Significant unobservable inputs (Level 3)	Fair value Total	Carrying amount
	$'000	$'000	$'000	$'000
Company				
2022				
Assets:				
Non-current:				
Investment in a quoted subsidiary	151,173	–	151,173	139,411
Investment in a quoted associate	38,781	–	38,781	76,529
Liabilities:				
Non-current:				
Medium-term notes	50,243	–	50,243	50,000
2021				
Assets:				
Non-current:				
Investment in a quoted subsidiary	114,801	–	114,801	84,141
Investment in a quoted associate	44,951	–	44,951	76,529
Liabilities:				
Non-current:				
Medium-term notes	51,866	–	51,866	50,000

Determination of fair value

Other receivables/Other payables

The fair values as disclosed in the table above are estimated by discounting expected future cash flows at market incremental lending rates for similar types of lending, borrowing or leasing arrangements at the end of the reporting period.

Medium-term notes

The fair values as disclosed in the table above are determined directly by reference to the bid price quotation of the medium-term notes at the end of the reporting period.

Investment in quoted subsidiary and quoted associate

The fair values as disclosed in the table above are determined directly by reference to the share price of the subsidiary and associate at the end of the reporting period.

37. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or procedures during the years ended 31 December 2022 and 31 December 2021.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest-bearing loans and borrowings, medium-term notes, trade and other payables, lease liabilities, less cash and bank balances. The table below shows the capital and net debt for the Group.

	Note	2022	2021
		$'000	$'000
Interest-bearing loans and borrowings	25	717,587	726,591
Medium-term notes	26	253,468	240,250
Trade and other payables	24	106,651	71,794
Lease liabilities	27(b)	87,110	82,889
Less: Cash and bank balances	23	(53,521)	(43,295)
Net debt		1,111,295	1,078,229
Equity attributable to owners of the Company		312,277	352,728
Capital and net debt		1,423,572	1,430,957
Gearing ratio		78%	75%

38. Subsequent event

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 Aspial Lifestyle Limited ("**ALL**"), entered into a sale and purchase agreement ("**Agreement**") to acquire 65% of the issued shares in the capital of Maxion Holding Sdn. Bhd. ("**Maxion**"), for a total cash consideration of up to RM30.7 million which comprise base consideration of RM20.7 million and earn-out consideration of up to RM10.0 million which will be payable based on achievement of certain performance target by Maxion.

The acquisition was completed on 3 January 2023. The reason for the acquisition is to strengthen ALL's presence in Malaysia and provide opportunities for growth.

Pursuant to the Agreement, the Group has also agreed to grant put options to the vendor on completion of the acquisition in which the vendor may require the Group to purchase the remaining 35% shares of Maxion for a consideration based on the exercise price on the exercise date. The put options 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.

The fair value of the identifiable assets and liabilities at acquisition date is not disclosed because management is in the midst of performing a Purchase Price Allocation ("**PPA**") exercise and has up to 12 months from the date of acquisition to complete and finalise the PPA.

39. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 29 March 2023.

STATISTICS OF SHAREHOLDINGS

As at 31 March 2023

NO. OF ISSUE SHARES (EXCLUDING TREASURY SHARES AND SUBSIDIARY HOLDINGS)	:	2,157,659,745
NUMBER/PERCENTAGE OF TREASURY SHARES	:	13,918,415 (0.65%)
NUMBER OF SUBSIDIARY HOLDINGS HELD	:	NIL
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS (EXCLUDING TREASURY SHARES AND SUBSIDIARY HOLDINGS)	:	ONE VOTE PER SHARE

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	151	5.01	6,195	0.00
100 - 1,000	114	3.79	60,958	0.00
1,001 - 10,000	1,378	45.77	4,352,463	0.20
10,001 - 1,000,000	1,321	43.87	93,744,804	4.35
1,000,001 & ABOVE	47	1.56	2,059,495,325	95.45
TOTAL	**3,011**	**100.00**	**2,157,659,745**	**100.00**

	Top Twenty Shareholders as at 31 March 2023	NO. OF SHARES	%
1	MLHS HOLDINGS PTE LTD	1,066,741,588	49.44
2	KOH WEE SENG	205,692,201	9.53
3	UNITED OVERSEAS BANK NOMINEES PTE LTD	149,891,062	6.95
4	HONG LEONG FINANCE NOMINEES PTE LTD	125,909,119	5.84
5	PHILLIP SECURITIES PTE LTD	61,471,943	2.85
6	CITIBANK NOMINEES SINGAPORE PTE LTD	58,738,536	2.72
7	TAN SU LAN @ TAN SOO LUNG	46,898,268	2.17
8	NG SHENG TIONG	44,640,487	2.07
9	SING INVESTMENTS & FINANCE NOMINEES (PTE) LTD	39,999,920	1.85
10	TAN SU KIOK	35,104,000	1.63
11	HSBC (SINGAPORE) NOMINEES PTE LTD	30,983,909	1.43
12	DBS NOMINEES PTE LTD	29,263,491	1.36
13	KO LEE MENG	22,642,785	1.05
14	OCBC SECURITIES PRIVATE LTD	17,584,552	0.81
15	TAN BOY TEE	11,845,526	0.55
16	LIM SENG KUAN	10,131,899	0.47
17	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	9,239,244	0.43
18	UOB KAY HIAN PTE LTD	8,867,666	0.41
19	RAFFLES NOMINEES (PTE) LIMITED	7,899,269	0.37
20	MAYBANK SECURITIES PTE. LTD.	7,001,209	0.32
		1,990,546,674	**92.25**

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

14.80% of the Company's shares are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual SGX-ST.

STATISTICS OF SHAREHOLDINGS

As at 31 March 2023

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

		Direct	Deemed
1	MLHS Holdings Pte. Ltd.	1,160,581,588	–
2	Koh Wee Seng[(1)]	403,595,923	1,166,083,944
3	Koh Lee Hwee[(2)]	30,890,888	1,204,402,032
4	Ko Lee Meng[(3)]	33,639,865	1,161,736,475

Notes:

1 Mr Koh Wee Seng's direct interest derived from 205,692,201 held in his own name and 197,903,722 shares held in the name of nominee accounts. The deemed interest derived from 1,160,581,588 shares held by MLHS Holdings Pte. Ltd. and 5,502,356 shares held by his spouse.

2 Ms Koh Lee Hwee's direct interest derived from 2,000 held in her own name and 30,888,888 shares held in the name of nominee accounts. The deemed interest derived from 1,160,581,588 shares held by MLHS Holdings Pte. Ltd. and 43,820,444 shares held by her spouse.

3 Ms Ko Lee Meng's direct interest derived from 22,642,785 held in her own name and 10,997,080 shares held in the name of nominee accounts. The deemed interest derived from 1,160,581,588 shares held by MLHS Holdings Pte. Ltd. and 1,154,887 shares held by her spouse.

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7.4.1

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the information as set out in Appendix 7.4.1 relating to Ms Ko Lee Meng, being a Director who is retiring in accordance with the Company's Constitution and/or Rule 720(5) of the Listing Manual of the SGX–ST at the forthcoming AGM, is set out below:

Name of Directors	**Ko Lee Meng**
Date of first appointment as a Director	1 May 1987
Date of last re-appointment/re-election as a Director (if applicable)	27 April 2020
Age	61
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Ms Ko Lee Meng as the Non-Executive Director and Non-Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration her qualifications, skills, expertise, past experiences and overall contribution since she was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	No
Job Title	– Audit Committee (member) – Remuneration Committee (member)
Professional qualifications	Bachelor of Arts, National University of Singapore
Working experience and occupation(s) during the past 10 years	October 2015 to present: Global Premium Hotels Limited – Executive Director, Deputy Chairman and Chief Executive Officer May 1987 to October 2015: Aspial Corporation Limited – Executive Director October 2015 to present: Aspial Corporation Limited – Non-Executive Director July 2008 to present: Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) – Non-Executive Director
Shareholding interest in the listed issuer and its subsidiaries	The Company – Direct Interest – 33,639,865 shares – Indirect Interest – 1,161,736,475 shares Subsidiaries of the Group Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) – Direct Interest – 17,581,376 shares – Indirect Interest – 976,768,192 shares WCL (QLD) Margaret St Pty Ltd – Direct Interest – 1,275,000 shares – Indirect Interest – 16,575,000 shares

Name of Directors	Ko Lee Meng
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Koh Wee Seng, Ms Ko Lee Meng and Ms Koh Lee Hwee are siblings.
Conflict of interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other principal commitments (including directorships) – Past, for the last 5 years	- GP Hotel Assets Pte. Ltd. - GP Hotel Capital Pte. Ltd. - GP Hotel Heritage Pte. Ltd. - GP Hotel Investment Pte. Ltd. - GP Hotel Ventures Pte. Ltd. - Parc Sovereign Hotel Management Pte. Ltd. (struck off)
Other principal commitments (including directorships) – Present	Present Directorships: - Aspial Lifestyle Limited * (formerly known as Maxi-Cash Financial Services Corporation Ltd.) - Aspial Corporation Limited * - Aspial International Pte Ltd - Aspial Investment Holding Pte. Ltd. - Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) - Aspial Treasury Pte. Ltd. - BU2 Services Pte. Ltd. - Dynamic Project Management Services Pte. Ltd. - Global Premium Hotels Limited - Gold Purple Pte Ltd - Goldheart Jewelry Pte. Ltd. - GP Hotel Equity Pte. Ltd. - GP Hotel Management Pte. Ltd. - JK (Farrer Park) Pte. Ltd. - JK (Kallang Park) Pte. Ltd. - Lee Hwa Jewellery Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Pte. Ltd.) - LuxeSTYLE (Australia) Pty. Ltd. - LuxeSTYLE (Malaysia) Sdn. Bhd. - Maxi-Cash (Australia) Pty. Ltd. - Maxi-Cash (Central 2) Pte. Ltd. - Maxi-Cash (Central) Pte. Ltd. - Maxi-Cash (Clementi) Pte. Ltd. - Maxi-Cash (East 2) Pte. Ltd. - Maxi-Cash (East) Pte. Ltd. - Maxi-Cash (North East) Pte. Ltd. - Maxi-Cash (North) Pte. Ltd. - Maxi-Cash (West) Pte. Ltd. - Maxi-Cash Assets Pte. Ltd. - Maxi-Cash Capital Management Pte. Ltd. - Maxi-Cash Capital Pte. Ltd.

Name of Directors	Ko Lee Meng
Other principal commitments (including directorships) – Present (Continued)	- Maxi-Cash Financial Pte. Ltd. (formerly known as Maxi Financial Pte. Ltd.) - Maxi-Cash Group Pte. Ltd. - Maxi-Cash International Pte. Ltd. - Maxi-Cash Investment Holding Pte. Ltd. - Maxi-Cash Jewellery Group Pte. Ltd. - Maxi-Cash Melbourne (VIC) Pty. Ltd. - Maxi-Cash Property Pte. Ltd. - Maxi-Cash Retail Pte. Ltd. - Maxi-Cash Ventures Pte. Ltd. - MC Client Service Pte. Ltd. (formerly known as Maxi-Cash (North East 2) Pte. Ltd.) - MLHS Holdings Pte Ltd - Pit-Stop Credit (SG) Pte. Ltd. - World Class Developments (Bedok) Pte. Ltd. - World Class Developments (Central) Pte. Ltd. - World Class Developments (City Central) Pte. Ltd. - World Class Developments (North) Pte. Ltd. - World Class Developments Pte. Ltd. - World Class Land Pte Ltd - World Class Property (North) Pte. Ltd. ** Public listed company on SGX-ST*

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgement against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No

Name of Directors	Ko Lee Meng
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :	
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	

Name of Directors	Ko Lee Meng
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Disclosure applicable to the appointment of Director only.	
Any prior experience as a director of an issuer listed on the Exchange?	This relates to reappointment of Director.
If yes, please provide details of prior experience.	N.A.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	N.A.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.

NOTICE OF

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**" or the "**Meeting**") of Aspial Corporation Limited (the "**Company**") will be held at Aspial One, 55 Ubi Avenue 3 Level 1, Singapore 408864 on Friday, 28 April 2023 at 3.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Independent Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Ms Ko Lee Meng who is retiring pursuant to Regulation 104 of the Company's Constitution.
[See Explanatory Note (i)] **(Resolution 2)**

3. To record the retirement of Mr Kau Jee Chu, who is retiring pursuant to Regulation 104 of the Company's Constitution and who has decided not to seek for re-election and will retire at the conclusion of the AGM.
[See Explanatory Note (ii)]

4. To approve the payment of Directors' fees of S$266,000 for the financial year ended 31 December 2022 (2021: S$266,000). **(Resolution 3)**

5. To re-appoint Messrs Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 4)**

6. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to allot and issue new shares**

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

(a) (i) allot and issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other Instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

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

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

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

(b) new Shares arising from exercising share options or vesting of share awards; and

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

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

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (iii)] **(Resolution 5)**

8. **Renewal of Share Purchase Mandate**

That for the purposes of Sections 76C and 76E of the Singapore Companies Act 1967, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Price as defined in Appendix I to the Annual Report 2022 to members ("**Appendix I**"), in accordance with the "**Guidelines on Share Purchases**" set out in the Appendix I and this mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[(See Explanatory Note (iv)] **(Resolution 6)**

9. **Authority to issue shares under the Aspial Performance Share Plan**

That pursuant to Section 161 of the Singapore Companies Act 1967, the Directors of the Company be and are authorised to grant awards in accordance with the provisions of the Aspial Performance Share Plan (the "**Plan**") and to allot and issue from time to time such number of fully-paid up shares as may be required to be allotted and issued pursuant to the vesting of the awards under the Plan, provided that the aggregate number of shares to be allotted and issued pursuant to the Plan on any date, when added to the number of new shares issued and issuable in respect of (a) all awards granted thereunder; and (b) all options or awards granted under any other share schemes of the Company then in force, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (v)] **(Resolution 7)**

10. **Authority to offer and grant awards under the Aspial Subsidiary Performance Share Plan 2022**

That pursuant to Section 161 of the Singapore Companies Act 1967, the Directors of the Company be and are authorised to offer and grant awards in accordance with the provisions of the Aspial Subsidiary Performance Share Plan 2022 (the "**Subsidiary Plan**") provided always that the aggregate number of Subsidiary Plan shares to be transferred pursuant to the Subsidiary Plan and any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed fifteen per cent (15%) of the total Subsidiary Plan shares held by the Company (or its subsidiaries) in that subsidiary or associated company as at the time of the award, provided always that no award may be made if the transfer of such Subsidiary Plan shares would result in that subsidiary or associated company ceasing to be a subsidiary or associated company, as the case may be, and provided also that subject to such adjustments as may be made to the Subsidiary Plan as a result of any variation in the capital structure of the relevant subsidiary or associated company, and this mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (vi)] **(Resolution 8)**

11. **Authority to issue shares under the Aspial Corporation Limited Scrip Dividend Scheme**

That pursuant to Section 161 of the Singapore Companies Act 1967 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to issue such number of shares in the Company as may be required to be issued pursuant to the Aspial Corporation Limited Scrip Dividend Scheme from time to time in accordance with the "Terms and Conditions of the Scrip Dividend Scheme" set out in pages 17 to 22 of the Circular to members dated 21 December 2011 and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
[See Explanatory Note (vii)] **(Resolution 9)**

By Order of the Board

Lim Swee Ann
Company Secretary
Singapore, 13 April 2023

Explanatory Notes:

(i) Ordinary Resolution 2 – Ms Ko Lee Meng will, upon re-election as a Director of the Company, remain as a Non-Executive Director and a member of the Remuneration Committee. She will not be considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information on Ms Ko can be found in the Annual Report 2022.

(ii) Mr Kau Jee Chu will retire as a Director of the Company following the conclusion of the AGM and concurrently relinquish his positions as the Chairman of the Nominating Committee and a member of Audit Committee and Remuneration Committee.

(iii) Ordinary Resolution 5 in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law or the SGX-ST Mainboard Listing Manual to be held, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a *pro-rata* basis to existing members of the Company.

For determining the aggregate number of Shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution 5 is passed after adjusting for (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution 5 is passed; and (ii) any subsequent bonus issue, consolidation or subdivision of Shares.

(iv) Ordinary Resolution 6 in item 8 above, if passed, will empower the Directors of the Company effective until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in Appendix I. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial statements of the Company and its Subsidiaries for the financial year ended 31 December 2022 are set out in greater detail in Appendix I.

(v) Ordinary Resolution 7 in item 9 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant awards under the Plan in accordance with the provisions of the Plan and to issue from time to time such number of fully-paid up shares as may be required to be allotted and issued pursuant to the vesting of the awards under the Plan subject to the maximum number of shares prescribed under the terms and conditions of the Plan. The aggregate number of shares which may be issued pursuant to the Plan is limited to fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time.

(vi) Ordinary Resolution 8 in item 10 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant awards in accordance with the provisions of the Subsidiary Plan.

(vii) Ordinary Resolution 9 in item 11 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or when such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company from time to time pursuant to the Aspial Corporation Limited Scrip Dividend Scheme.

Notes:

1. The members of the Company are invited to attend physically at the AGM. There will be no option for members to participate virtually. This notice of AGM ("**Notice**") and the Company's Annual Report 2022 ("**AR**") will not be sent to members. Instead, this Notice and AR will be sent to members by electronic means via publication on the Company's website at the URL https://www.aspial.com/investor-relations and made available on the SGXNet at the URL https://www.sgx.com/securities/company-announcements.

2. Members (including Central Provident Fund Investment Scheme investors ("**CPFIS Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) voting at the AGM

      (i) themselves personally; or

      (ii) through their duly appointed proxy(ies).

   CPFIS Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 3.00 p.m. on 18 April 2023, being seven (7) working days prior to the date of the AGM.

   Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home and consider appoint a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

   Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

4. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Singapore Companies Act 1967.

5. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

   If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. In the absence of specific directions, the Chairman of the Meeting will vote or abstain as he/she may think fit, as he/she will on any other matter arising at the AGM.

6. The Chairman of the AGM, as proxy, need not be a member of the Company.

7. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited with the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

   (b) if submitted electronically, be submitted via email to the Company at the email: AspialAGM@aspial.com,

      in either case, by **3.00 p.m.** on **25 April 2023** (being not less than seventy-two (72) hours before the time for holding the AGM).

   A member who wishes to submit an instrument of proxy 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.

8. The AR and the Appendix I to the Notice of AGM dated 13 April 2023 in relation to the Proposed Renewal of the Shares Purchase Mandate ("**Share Purchase Mandate**") may be accessed at the Company's website as follows:

   (a) the AR may be accessed at the URL https://www.aspial.com/investor-relations by clicking on the hyperlinks "**Annual Report 2022**"; and

   (b) the Share Purchase Mandate may be accessed at the URL https://www.aspial.com/investor-relations by clicking on the hyperlink "**Share Purchase Mandate**".

9. Submission of Questions in Advance

   Members may submit their questions in relation to the resolutions of the AGM by email to:

   (a) email to AspialAGM@aspial.com; or

   (b) by post to the registered office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.

   All questions must be submitted within 7 calendar days from the date of this Notice of AGM, i.e. by **3.00 p.m.** on **20 April 2023**.

   The Company will endeavor to address questions which are substantial and relevant and received from members who are verifiable against the Depository Register or the Register of Members. The Company's responses to members' questions will be posted on the SGXNet not later than 48 hours before the closing date and time for the lodgement of the Proxy Forms, i.e. by **23 April 2023**. The Company will address any subsequent clarification sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the 20 April 2023 submission deadline which have not already been addressed prior to the AGM, as well as those substantial and relevant questions received at the AGM, at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. The minutes of the AGM will be published on the SGXNet within one month after the date of the AGM.

10. Printed copies of the Notice of AGM and the accompanying proxy form will NOT be sent to members. All documents relating to the business of the AGM including the Notice of AGM and the accompanying proxy form will be published on SGXNet and the Company's website at the URL https://www.aspial.com/investor-relations.

Personal data privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM of the Company 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 appointment of the Chairman of the AGM as proxy 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.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she propose/second) may be recorded by the Company for such purpose.

ASPIAL CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197001030G)

PROXY FORM

IMPORTANT NOTICE FOR ANNUAL GENERAL MEETING ("AGM")

1. A relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the AGM.
2. For CPFIS/SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes, at least seven (7) working days before the time appointed for the holding of the AGM (i.e. by 3.00 p.m. on 18 April 2023).
3. By submitting this proxy form appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 April 2023.

Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the AGM as a member's proxy to attend, speak and vote on his/her/its behalf at the AGM.

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

of ____ (Address)

being a *member/members of Aspial Corporation Limited (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the **Chairman of the AGM** as my/our* proxy/proxies* to vote for me/us* on my/our* behalf at the AGM of the Company to be held at Aspial One, 55 Ubi Avenue 3 Level 1, Singapore 408864 on Friday, 28 April 2023 at 3.00 p.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for, against or abstain the Resolutions to be proposed at the AGM as hereunder indicated. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her* discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

** Delete where inapplicable*

No.	Resolutions relating to:	Number of Votes		
		For	Against	Abstain
	ORDINARY BUSINESS			
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2022 together with the Independent Auditors' Report thereon			
2	Re-election of Ms Ko Lee Meng as a Director of the Company			
3	Approval of the Directors' fees of S$266,000 for the financial year ended 31 December 2022			
4	Re-appointment of Messrs Ernst & Young LLP as Auditors			
	SPECIAL BUSINESS			
5	Authority to allot and issue new shares			
6	Renewal of Share Purchase Mandate			
7	Authority to issue shares under the Aspial Performance Share Plan			
8	Authority to offer and grant awards under the Aspial Subsidiary Performance Share Plan 2022			
9	Authority to issue shares under the Aspial Corporation Limited Scrip Dividend Scheme			

Dated this ________ day of ______________ 2023

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of member(s)/Common Seal of Corporate member(s)

IMPORTANT: Please read notes on the reverse

Notes:

1. A member of the Company should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Singapore Securities and Futures Act 2001), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

2. This proxy form may be accessed at the Company's corporate website at the URL https://www.aspial.com/investor-relations/, and will also be made available on the SGX's website at the URL https://www.sgx.com/securities/company-announcements.

   Where a member (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which, in the absence of specific directions, the Chairman of the Meeting will vote or abstain as he/she may think fit, as he/she will on any other matter arising at the AGM.

3. The Chairman of the AGM, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited with the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or

   (b) if submitted electronically, be submitted via email to the Company at the email: AspialAGM@aspial.com,

   in either case, by **3.00 p.m.** on **25 April 2023** (being not less than seventy-two (72) hours before the time for holding the AGM).

   A member who wishes to submit an instrument of proxy 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.

5. The instrument appointing the Chairman of the AGM as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the AGM is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which; the instrument may be treated as invalid.

6. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.

7. In the case of members of the Company whose shares are entered against their name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

By submitting this Proxy Form appointing a proxy(ies) to attend, speak and vote at the AGM of the Company and/or any adjournment thereof, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 April 2023.

ASPIAL CORPORATION LIMITED
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