



# **BEST WORLD INTERNATIONAL LTD**

(Company Registration: 199006030Z)  
Incorporated in the Republic of Singapore

## **Unaudited Condensed Interim Financial Statements For The 3 Months Ended 31 March 2023**

**BEST WORLD INTERNATIONAL LIMITED**  
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**For The Three Months Ended 31 March 2023**

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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE THREE MONTHS ENDED 31 MARCH 2023**

(Amounts expressed in Singapore dollars)

		Group		
		3 months Ended 31.03.23 \$'000	3 months Ended 31.03.22 \$'000	Change %
	Note			
Revenue	4	79,958	115,560	(30.8)
Cost of sales		<u>(18,275)</u>	<u>(27,780)</u>	(34.2)
Gross profit		61,683	87,780	(29.7)
<u>Other items of income</u>				
Interest income		2,756	1,372	100.9
Other operating income	6	784	190	312.6
<u>Other Items of Expense</u>				
Distribution costs	8	(18,259)	(27,832)	(34.4)
Administrative expenses	8	(19,634)	(23,651)	(17.0)
Finance costs		(265)	(76)	248.7
Other losses, net	7	(961)	(545)	76.3
Share of results of a joint venture		87	75	16.0
Share of results of an associate		<u>(37)</u>	<u>(87)</u>	(57.5)
<b>Profit before tax</b>		26,154	37,226	(29.7)
Income tax expense	9	<u>(5,915)</u>	<u>(9,679)</u>	(38.9)
<b>Profit for the period</b>		<u>20,239</u>	<u>27,547</u>	(26.5)
<b>Profit attributable to:</b>				
- Owners of the parent company		<b>20,498</b>	<b>27,603</b>	<b>(25.7)</b>
- Non-controlling interests		(259)	(56)	362.5
<b>Profit for the period</b>		<u>20,239</u>	<u>27,547</u>	(26.5)
<u><b>Additional notes:</b></u>				
Gross profit margin		77.1%	76.0%	
Net profit margin		25.6%	23.9%	
Earnings per share (cents)	22	4.71	5.21	

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE THREE MONTHS ENDED 31 MARCH 2023**

**Statement of Comprehensive Income for the three months ended 31 March 2023:**

	<b>Group</b>		
	<b>3 months Ended 31.03.23 \$'000</b>	<b>3 months Ended 31.03.22 \$'000</b>	<b>Change %</b>
<b>Profit for the period, net of tax</b>	20,239	27,547	(26.5)
<u>Other comprehensive income</u>			
Exchange differences on translating foreign operations	<u>(243)</u>	<u>(213)</u>	14.1
<b>Other comprehensive income for the period, net of tax</b>	<u>(243)</u>	<u>(213)</u>	14.1
<b>Total comprehensive income for the period</b>	<u>19,996</u>	<u>27,334</u>	(26.8)
Attributable to:			
<b>Owners of the parent company</b>	<b>19,648</b>	<b>27,268</b>	(27.9)
Non-controlling interests	<u>348</u>	<u>66</u>	427.3
<b>Total comprehensive income for the period</b>	<u>19,996</u>	<u>27,334</u>	(26.8)

## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023

(Amounts expressed in Singapore dollars)

	Note	Group		Company	
		31.03.23 \$'000	31.12.22 \$'000	31.03.23 \$'000	31.12.22 \$'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	10	78,078	73,100	5,471	2,084
Investment property	11	1,068	1,073	-	-
Other intangible asset	12	7,569	7,629	-	-
Intangible assets	13	1,048	1,054	65	55
Right-of-use assets		20,590	21,498	8,194	8,803
Investment in subsidiary corporations		-	-	127,261	127,261
Investment in a joint venture	14	25,687	25,600	-	-
Investment in an associate	15	4,654	4,691	-	-
Deferred tax assets		13,559	11,461	-	-
Other financial assets		2,017	1,985	-	-
<b>Total non-current assets</b>		<b>154,270</b>	<b>148,091</b>	<b>140,991</b>	<b>138,203</b>
<b>Current assets</b>					
Inventories	16	58,830	53,290	22,909	22,157
Trade and other receivables	17	17,700	11,270	43,705	27,366
Other assets		25,496	28,888	11,534	15,452
Other financial assets		14,126	13,716	14,126	13,716
Cash and cash equivalents	18	434,945	484,831	258,840	270,046
<b>Total current assets</b>		<b>551,097</b>	<b>591,995</b>	<b>351,114</b>	<b>348,737</b>
<b>Total assets</b>		<b>705,367</b>	<b>740,086</b>	<b>492,105</b>	<b>486,940</b>
<b>Equity and liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	19	101,853	151,390	25,388	48,288
Contract liabilities		4,680	7,171	-	-
Lease liabilities		5,293	5,154	1,893	2,142
Other financial liabilities		5,044	43	5,044	43
Other liabilities		34,925	34,896	882	882
Income tax payable		15,867	19,974	6,726	1,881
<b>Total current liabilities</b>		<b>167,662</b>	<b>218,628</b>	<b>39,933</b>	<b>53,236</b>
<b>Net current assets</b>		<b>383,435</b>	<b>373,367</b>	<b>311,181</b>	<b>295,501</b>
<b>Non-current liabilities</b>					
Other liabilities		1,126	1,111	484	484
Deferred tax liabilities		9,902	9,798	179	179
Lease liabilities		14,295	15,502	5,940	6,230
Other financial liabilities		11,584	11,401	-	-
<b>Total non-current liabilities</b>		<b>36,907</b>	<b>37,812</b>	<b>6,603</b>	<b>6,893</b>
<b>Total liabilities</b>		<b>204,569</b>	<b>256,440</b>	<b>46,536</b>	<b>60,129</b>
<b>Net assets</b>		<b>500,798</b>	<b>483,646</b>	<b>445,569</b>	<b>426,811</b>
<b>Equity, attributable to owner of the company</b>					
Share capital	20	2,343	2,343	2,343	2,343
Retained earnings		470,018	452,231	442,904	424,146
Other reserves		30,742	31,592	322	322
		503,103	486,166	445,569	426,811
Non-controlling interests		(2,305)	(2,520)	-	-
<b>Total equity</b>		<b>500,798</b>	<b>483,646</b>	<b>445,569</b>	<b>426,811</b>
<b>Total equity and liabilities</b>		<b>705,367</b>	<b>740,086</b>	<b>492,105</b>	<b>486,940</b>

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2023

(Amounts expressed in Singapore dollars)

	Group	
	3 Months	3 Months
	Ended	Ended
	31.03.23	31.03.22
	\$'000	\$'000
<b>Cash flows from operating activities:</b>		
Profit before tax	26,154	37,226
Interest income	(2,756)	(1,372)
Interest expenses	265	76
Depreciation of property, plant and equipment	1,755	519
Depreciation of right-of-use assets	1,425	913
Depreciation of an investment property	5	5
Amortisation of other intangible assets	60	61
Amortisation of intangible assets	21	22
Loss (gain) on disposal of property, plant and equipment	1	(10)
Fair value loss in foreign exchange derivatives	-	198
Loss on disposal of other financial assets	1	-
Fair value change in other financial assets	(207)	470
Inventories written down	19	48
Share of results of a joint venture	(87)	(75)
Share of results of an associate	37	87
Unrealised foreign exchange loss (gain), net	138	(827)
<b>Operating cash flows before changes in working capital</b>	<u>26,831</u>	<u>37,341</u>
Inventories	(5,559)	5,630
Trade and other receivables	(6,433)	(9,122)
Other assets	3,392	(3,894)
Trade and other payables	(49,247)	1,154
Other liabilities	44	(173)
Contract liabilities	(2,491)	4,655
<b>Cash flows generated (used in) from operations</b>	<u>(33,463)</u>	<u>35,591</u>
Income tax paid	(11,833)	(10,324)
<b>Net cash flows (used in) from operating activities</b>	<u>(45,296)</u>	<u>25,267</u>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(6,765)	(4,612)
Proceeds from disposal of property, plant and equipment	7	154
Purchase of intangible assets	(25)	(10)
Purchase of other financial assets	(588)	(10)
Proceeds from disposal of other financial assets	265	271
Interest received	2,756	1,372
<b>Net cash flows used in investing activities</b>	<u>(4,350)</u>	<u>(2,835)</u>
<b>Cash flows from financing activities:</b>		
Purchase of treasury shares	(2,711)	-
Proceeds from bank borrowings	5,000	-
Off-market equal access share buyback	-	(73,998)
Payment of lease liabilities	(1,814)	(1,145)
Interest paid	(21)	-
Increase in cash restricted in use	(21,739)	(2,433)
<b>Net cash flows used in financing activities</b>	<u>(21,285)</u>	<u>(77,576)</u>
<b>Net decrease in cash and cash equivalents</b>	(70,931)	(55,144)
<b>Effects of exchange rate changes on cash and cash equivalents</b>	(694)	287
<b>Cash and cash equivalents, statement of cash flows, beginning balance</b>	<u>477,389</u>	<u>469,346</u>
<b>Cash and cash equivalents, statement of cash flows, ending balance</b> Note A	<u><u>405,764</u></u>	<u><u>414,489</u></u>
<b>Note A :</b>		
	Group	
	3 Months	3 Months
	Ended	Ended
	31.03.23	31.03.22
	\$'000	\$'000
Cash and bank balances	434,945	422,403
Less: Cash pledged and cash restricted in use	(29,181)	(7,914)
<b>Cash and cash equivalents in the consolidated cash flow statement</b>	<u><u>405,764</u></u>	<u><u>414,489</u></u>

## CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2023

(Amounts expressed in Singapore dollars)

Group	Attributable to owners of the parent company									
	Total equity	Total	Share capital	Treasury shares	Retained earnings	Foreign currency translation reserve	Statutory reserves	Share-based compensation reserves	Other reserves	Non-controlling interests
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Balance at 1 January 2023</b>	483,513	486,166	20,618	(18,275)	452,231	(1,005)	33,384	322	(1,109)	(2,653)
<b><u>Movements in equity</u></b>										
Total comprehensive income (expense) for the period	19,996	19,648	-	-	20,498	(850)	-	-	-	348
Purchase of treasury shares <sup>(a)</sup>	(2,711)	(2,711)	-	-	(2,711)	-	-	-	-	-
<b>Balance at 31 March 2023</b>	<u>500,798</u>	<u>503,103</u>	<u>20,618</u>	<u>(18,275)</u>	<u>470,018</u>	<u>(1,855)</u>	<u>33,384</u>	<u>322</u>	<u>(1,109)</u>	<u>(2,305)</u>
<b>Group</b>										
<b>Balance at 1 January 2022</b>	505,748	508,401	20,618	(10,591)	460,852	8,051	30,258	322	(1,109)	(2,653)
<b><u>Movements in equity</u></b>										
Total comprehensive income (expense) for the period	27,334	27,268	-	-	27,603	(335)	-	-	-	66
Off-market equal access share buyback <sup>(b)</sup>	(73,998)	(73,998)	-	-	(73,998)	-	-	-	-	-
<b>Balance at 31 March 2022</b>	<u>459,084</u>	<u>461,671</u>	<u>20,618</u>	<u>(10,591)</u>	<u>414,457</u>	<u>7,716</u>	<u>30,258</u>	<u>322</u>	<u>(1,109)</u>	<u>(2,587)</u>

Note (a) On 18 January 2023, pursuant to a on-market share purchase, \$2.7 million was paid by the Company for this purchase out of profits.

Note (b) On 8 March 2022, pursuant to a Off-Market Equal Access Offer, the Company purchased and cancelled 54,410,011 of its own shares from shareholders at the offer price of \$1.36 for each share.

## CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2023

(Amounts expressed in Singapore dollars)

Company	Attributable to owners of the parent company				
	Total equity	Share capital	Treasury shares	Retained earnings	Share-based compensation reserves
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2023</b>	426,811	20,618	(18,275)	424,146	322
<b><u>Movements in equity</u></b>					
Total comprehensive income for the period	21,469	-	-	21,469	-
Purchase of treasury shares <sup>(a)</sup>	(2,711)	-	-	(2,711)	-
<b>Balance as at 31 March 2023</b>	<b>445,569</b>	<b>20,618</b>	<b>(18,275)</b>	<b>442,904</b>	<b>322</b>
<b>Balance at 1 January 2022</b>	400,928	20,618	(10,591)	390,579	322
<b><u>Movements in equity</u></b>					
Total comprehensive income for the period	39,142	-	-	39,142	-
Off-market equal access share buyback <sup>(b)</sup>	(73,998)	-	-	(73,998)	-
<b>Balance as at 31 March 2022</b>	<b>326,930</b>	<b>20,618</b>	<b>(10,591)</b>	<b>316,581</b>	<b>322</b>

Note (a) On 18 January 2023, pursuant to a on-market share purchase, \$2.7 million was paid by the Company for this purchase out of profits.

Note (b) On 8 March 2022, pursuant to a Off-Market Equal Access Offer, the Company purchased and cancelled 54,410,011 of its own shares from shareholders at the offer price of \$1.36 for each share.

## **NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2023**

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### **1. Corporate information**

Best World International Limited ("the Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 20 Pasir Panjang Road #08-28 Mapletree Business City Singapore 117439.

The principal activities of the Company are those of investment holding and the distribution of nutritional supplement products, personal care products and healthcare equipment.

### **2. Basis of preparation**

The interim 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 interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance since the last audited annual financial statements for the year ended 31 December 2022.

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.

The figures have not been audited, or reviewed by auditors.

#### **2.1 Adoption of new standards**

The accounting policies adopted are consistent with those of the used in the most recent audited financial statements except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 January 2023.

There was no change in the accounting policies and methods of computation for the current financial year reported on.

## **2. Basis of preparation (Cont'd)**

### **2.2 Use of judgements and estimates**

The preparation of the Group's consolidated interim financial statements requires management to make judgments, 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. Basis of preparation.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 December 2022.

Information about estimates, assumptions and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

- a) Income taxes
- b) Expected credit losses ("ECL") on trade receivables
- c) Fair value measurement of put and call options Pedal Pulses Ltd.
- d) Valuation of inventories

There were no significant changes in critical judgements, estimates and assumptions as compared to the audited consolidated financial statements as at and for the year ended 31 December 2022.

## **3. Seasonal operations**

Historically, we record lower revenue in the first quarter of the year due to the long Chinese New Year holidays celebrated in our key markets. Also, distributors and franchisees generally more motivated in the fourth quarter of the year in order to achieve their sales target and hence take a longer than usual break in the following month and during the Chinese New Year holiday season.

#### 4. Segment and revenue information

For management purposes, the Group's business is organised into three reportable operating segments as follows:

- (i) The Direct Selling segment mainly comprises sales generated directly from member customers through direct selling, both online and offline, for the markets of Singapore, Malaysia, Indonesia, Thailand, Taiwan, Hong Kong, Vietnam, Philippines, Korea, Australia, New Zealand, United States, Canada, Brunei and United Arab Emirates etc.;
- (ii) The Franchise segment comprises sales to independent third parties who are permitted to establish and operate BWL Lifestyle Centres in People's Republic of China and exclusively distribute the products under franchise agreements entered into with the Group. Under the Franchise Model, the Group sells the products directly to franchisees; and
- (iii) The Others segment comprises sales to customers at export retail price through retailers in the Myanmar and the Manufacturing/Wholesale segment comprises sales of health supplements manufactured by the Group's Hangzhou factory to wholesalers all over the People's Republic of China.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of the segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss, which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

## 4 Segment and revenue information (Cont'd)

### 4.1 Reportable segments

#### Business Segments

For the three months ended 31 March 2023

#### Group

	<u>Direct selling</u> \$ '000	<u>Franchise</u> \$ '000	<u>Others</u> \$ '000	<u>Un- allocated</u> \$ '000	<u>Total</u> \$ '000
External sales and services	47,465	32,278	215	-	79,958
Recurring EBITDA	11,690	17,134	(1,945)	-	26,879
Interest income	1,482	1,249	25	-	2,756
Interest expense	(84)	(93)	(88)	-	(265)
Depreciation	(1,236)	(730)	(1,219)	-	(3,185)
Amortisation	(5)	(1)	(75)	-	(81)
Share of results of a joint venture	-	-	87	-	87
Share of results of an associate	-	-	(37)	-	(37)
Profit (Loss) before tax from continuing operations	11,847	17,559	(3,252)	-	26,154
Income tax expense					(5,915)
<b>Profit from continuing operations</b>					<b>20,239</b>
<u>Other segment items</u>					
Additions to property, plant and equipment	1,880	3,192	1,693	-	6,765
Additions to intangible assets	11	14	-	-	25
<u>Assets and liabilities</u>					
Total assets for reportable segments	227,868	260,319	112,529	-	600,716
Unallocated:					
Investment in an associate	-	-	-	4,654	4,654
Investment in a joint venture	-	-	-	25,687	25,687
Deferred tax assets	-	-	-	13,559	13,559
Other intangible assets	-	-	-	7,569	7,569
Investment property	-	-	-	1,068	1,068
Other financial assets	-	-	-	16,143	16,143
Other assets	-	-	-	25,496	25,496
Other unallocated amounts	-	-	-	10,475	10,475
<b>Total group assets</b>	<b>227,868</b>	<b>260,319</b>	<b>112,529</b>	<b>104,651</b>	<b>705,367</b>
Total liabilities for reportable segments	(29,998)	(123,335)	(8,839)	-	(162,172)
Unallocated					
Other financial liabilities	-	-	-	(16,628)	(16,628)
Deferred tax liabilities	-	-	-	(9,902)	(9,902)
Income tax payable	-	-	-	(15,867)	(15,867)
<b>Total group liabilities</b>	<b>(29,998)</b>	<b>(123,335)</b>	<b>(8,839)</b>	<b>(42,397)</b>	<b>(204,569)</b>

## 4 Segment and revenue information (Cont'd)

## 4.1 Reportable segments (Cont'd)

### Business Segments

For the three months ended 31 March 2022

#### Group

	<u>Direct selling</u>	<u>Franchise</u>	<u>Others</u>	<u>Unallocated</u>	<u>Total</u>
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
External sales and services	45,469	69,987	104	-	115,560
Recurring EBITDA	12,018	26,807	(1,363)	-	37,462
Interest income	411	869	92	-	1,372
Interest expense	(44)	(11)	(21)	-	(76)
Depreciation	(812)	(564)	(61)	-	(1,437)
Amortisation	(4)	(1)	(78)	-	(83)
Share of results of a joint venture	-	-	75	-	75
Share of results of an associate	-	-	(87)	-	(87)
Profit (Loss) before tax from continuing operations	11,569	27,100	(1,443)	-	37,226
Income tax expense					(9,679)
<b>Profit from continuing operations</b>					<b><u>27,547</u></b>
<u>Other segment items</u>					
Additions to property, plant and equipment	1,043	24	3,545	-	4,612
Additions to intangible assets	7	3	-	-	10
<u>Assets and liabilities</u>					
Total assets for reportable segments	235,982	244,451	111,694	-	592,127
Unallocated:					
Investment in an associate	-	-	-	4,903	4,903
Investment in a joint venture	-	-	-	38,447	38,447
Deferred tax assets	-	-	-	20,021	20,021
Other intangible assets	-	-	-	7,811	7,811
Investment property	-	-	-	1,086	1,086
Other financial assets	-	-	-	18,929	18,929
Other assets	-	-	-	24,544	24,544
Other unallocated amounts	-	-	-	11,201	11,201
<b>Total group assets</b>	<b><u>235,982</u></b>	<b><u>244,451</u></b>	<b><u>111,694</u></b>	<b><u>126,942</u></b>	<b><u>719,069</u></b>
Total liabilities for reportable segments	(64,380)	(132,080)	(9,957)	-	(206,417)
Unallocated					
Other financial liabilities	-	-	-	(19,340)	(19,340)
Deferred tax liabilities	-	-	-	(12,110)	(12,110)
Income tax payable	-	-	-	(25,963)	(25,963)
<b>Total group liabilities</b>	<b><u>(64,380)</u></b>	<b><u>(132,080)</u></b>	<b><u>(9,957)</u></b>	<b><u>(57,413)</u></b>	<b><u>(263,830)</u></b>

#### 4 Segment and revenue information (Cont'd)

##### 4.2 Disaggregation of revenue

	<b>Group</b>	
	<b>For the three months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Primary geographical markets</b>		
Singapore	11,023	9,230
People's Republic of China	32,403	70,039
Taiwan	19,524	17,522
Malaysia	6,301	7,182
Others	10,707	11,587
	<hr/>	<hr/>
Total revenue	79,958	115,560
	<hr/>	<hr/>

	<b>Group</b>	
	<b>For the three months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Major operating segments</b>		
Direct selling	47,465	45,469
Franchise	32,278	69,987
Others	215	104
	<hr/>	<hr/>
Total revenue	79,958	115,560
	<hr/>	<hr/>

The timing of the Group's transfer of goods or services are recognised at a point in time.

## 5. Financial assets and financial liabilities

The following table categories the carrying amounts of financial assets and liabilities recorded at the end of the reporting period:

	Group		Company	
	31-Mar-23 \$'000	31-Dec-22 \$'000	31-Mar-23 \$'000	31-Dec-22 \$'000
<b>Financial assets:</b>				
<b>Non-Current:</b>				
<i>Financial assets at fair value through profit or loss</i>				
Other financial assets	2,017	1,985	-	-
<b>Total financial assets (non-current)</b>	<b>2,017</b>	<b>1,985</b>	<b>-</b>	<b>-</b>
<b>Current:</b>				
<i>Financial assets at fair value through profit or loss</i>				
Other financial assets	14,126	13,448	14,126	13,448
<i>Financial assets at amortised cost</i>				
Cash and bank balances	434,945	484,831	258,840	270,046
Other financial assets	-	268	-	268
Trade and other receivables	13,512	11,270	42,732	27,159
Total financial assets at amortised cost (current)	448,457	496,369	301,572	297,473
<b>Total financial assets (current)</b>	<b>462,583</b>	<b>509,817</b>	<b>315,698</b>	<b>310,921</b>
<b>Total financial assets</b>	<b>464,600</b>	<b>511,802</b>	<b>315,698</b>	<b>310,921</b>
<b>Financial liabilities:</b>				
<b>Non-Current:</b>				
<i>Financial liabilities at fair value through profit or loss</i>				
Other financial liabilities	11,628	11,444	44	43
<i>Financial liabilities at amortised cost</i>				
Lease liabilities	14,295	15,502	5,940	6,230
Total financial liabilities (non-current)	25,923	26,946	5,984	6,273
<b>Current:</b>				
<i>Financial liabilities at amortised cost</i>				
Trade and other payables	101,853	147,412	25,388	48,288
Other financial liabilities	5,000	-	5,000	-
Lease liabilities	5,293	5,154	1,893	2,142
Total financial liabilities (Current)	112,146	152,566	32,281	50,430
<b>Total financial liabilities</b>	<b>138,069</b>	<b>179,512</b>	<b>38,265</b>	<b>56,703</b>

## 5. Fair value of assets and liabilities (Cont'd)

### (a) Fair value hierarchy

The Group categories 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 in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There were no transfers between the levels of fair value measurements during the financial year.

### (b) Assets and liabilities measured at fair value

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

	Group As at 31 Mar 2023 \$'000		Group As at 31 Dec 2022 \$'000	
	Fair value measurements at the reporting date using		Fair value measurements at the reporting date using	
	Quoted prices in active markets for identical instruments (Level 1)	Significant unobservable inputs (Level 3)	Quoted prices in active markets for identical instruments (Level 1)	Significant unobservable inputs (Level 3)
<b>Recurring fair value measurements assets:</b>				
Other financial assets				
- Financial instruments at FVPL	14,126	–	13,448	–
- Call option – Pedal Pulses Ltd.	–	2,017	–	1,985
<b>Recurring fair value measurements liabilities:</b>				
Other financial liabilities				
- Fair value loss on forward contract		(44)		(43)
- Put option – Pedal Pulses Ltd.	–	(11,584)	–	(11,401)

5. Fair value of assets and liabilities (Cont'd)

(b) *Assets and liabilities measured at fair value (Cont'd)*

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):

	<b>Group \$'000</b>		
	<b>Fair value measurements at the reporting date using significant unobservable inputs (Level 3)</b>		
	<b>Call option derivatives</b>	<b>Put option derivatives</b>	<b>Total</b>
At 31 December 2022 and 1 January 2023	1,985	(11,401)	(9,416)
Net fair value change in profit or loss			
Foreign exchange adjustment	32	(183)	(151)
31 March 2023	2,017	(11,584)	(9,567)

5. Fair value of assets and liabilities (cont'd)

(c) **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, for which fair value is disclosed:

	<b>Group As at 31 March 2023 \$'000</b>			
	<b>Quoted prices in active markets for identical assets (Level 1)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Fair value Total</b>	<b>Carrying amount</b>
<b>Assets</b>				
Investment property	–	3,700	3,700	1,068

	<b>Group As at 31 December 2022 \$'000</b>			
	<b>Quoted prices in active markets for identical assets (Level 1)</b>	<b>Significant unobservable inputs (Level 3)</b>	<b>Fair value Total</b>	<b>Carrying amount</b>
<b>Assets</b>				
Investment property	–	3,700	3,700	1,073
Other financial assets				
- Financial instruments at amortised cost	272	–	272	268

**6. Other operating income**

	<b>Group</b>	
	<b>For the three months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Rental income	31	30
Government grants	39	37
Write back of accruals	507	–
Miscellaneous income	207	123
	<hr/>	<hr/>
	784	190
	<hr/>	<hr/>

**7. Other losses, net**

	<b>Group</b>	
	<b>For the three months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Fair value gain (loss) on other financial assets	207	(470)
Fair value loss on forward contract	(1)	–
Fair value loss on foreign exchange derivatives	–	(198)
Inventories written-down, net	(19)	(48)
Foreign exchange (losses) gains, net	(1,147)	161
(Loss) gain on disposal of property, plant and equipment	(1)	10
	<hr/>	<hr/>
	(961)	(545)
	<hr/>	<hr/>

**8. Profit before income tax**

**Group**  
**For the three months ended**  
**31 March**

	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
<u>Included in distribution costs</u>		
Commission expenses	15,672	15,114
Franchise sales related expenses	1,497	3,404
<u>Included in administrative expenses</u>		
Employee benefit expenses	12,665	19,070
Amortisation of intangible assets	21	22
Amortisation of other intangible asset	60	61
Depreciation of right-of-use assets	1,425	913
Depreciation of property, plant and equipment	1,755	519
Depreciation of investment property	5	5

**9. Income tax expense**

(a) Major components of income taxes recognised in profit or loss

**Group**  
**For the three months ended**  
**31 March**

	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
<b>Consolidated statement of profit or loss:</b>		
Current income tax:		
- Current income taxation	7,621	6,825
- Over-provision in respect of previous years	(399)	-
- Withholding tax	-	757
	7,222	7,582
Deferred tax expenses:		
- Origination and reversal of temporary differences	(1,307)	2,097
Income tax expense recognised in profit or loss	5,915	9,679

## 10. Property, plant and equipment

During the three months ended 31 March 2023, the Group acquired assets amounting to \$6,765,000 (31 March 2022: \$4,612,000) and disposed of assets amounting to \$425,000 (31 March 2022: \$993,000).

## 11. Investment property

	Group	
	As at 31 Mar 2023 \$'000	As at 31 Dec 2022 \$'000
At cost	1,400	1,400
Less: accumulated amortisation	(332)	(327)
Net book value	<u>1,068</u>	<u>1,073</u>

## 12. Other intangible assets

	Group	
	As at 31 Mar 2023 \$'000	As at 31 Dec 2022 \$'000
At cost	9,095	9,095
Less: accumulated amortisation	(1,526)	(1,466)
Net book value	<u>7,569</u>	<u>7,629</u>

## 13. Intangible assets

	Group		Company	
	As at 31 Mar 2023 \$'000	As at 31 Dec 2022 \$'000	As at 31 Mar 2023 \$'000	As at 31 Dec 2022 \$'000
Goodwill	1,016	1,016	–	–
Licenses	8,482	8,456	–	–
Trademarks	948	938	695	682
Customer relationship	740	740	–	–
	<u>11,186</u>	<u>11,150</u>	<u>695</u>	<u>682</u>
Less: accumulated amortisation	(10,138)	(10,096)	(630)	(627)
Net book value	<u>1,048</u>	<u>1,054</u>	<u>65</u>	<u>55</u>

**14. Investment in a joint venture**

	<b>Group</b>	
	<b>As at 31 Mar</b>	<b>As at 31 Dec</b>
	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
Beginning of financial year	25,600	38,335
Dividend received	–	(737)
Share of post-acquisition results	87	694
Less: Impairment loss charged to profit and loss	–	(12,692)
	<hr/>	<hr/>
End of financial year	<u>25,687</u>	<u>25,600</u>

**15. Investment in an associate**

	<b>Group</b>	
	<b>As at 31 Mar</b>	<b>As at 31 Dec</b>
	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
Beginning of financial year	4,691	4,990
Share of post-acquisition results	(37)	(299)
	<hr/>	<hr/>
End of financial year	<u>4,654</u>	<u>4,691</u>

**16. Inventories**

	<b>Group</b>		<b>Company</b>	
	<b>As at 31</b>	<b>As at 31</b>	<b>As at 31</b>	<b>As at 31</b>
	<b>Mar 2023</b>	<b>Dec 2022</b>	<b>Mar 2023</b>	<b>Dec 2022</b>
	\$'000	\$'000	\$'000	\$'000
<b><i>Statement of financial position:</i></b>				
Finished goods (at lower of cost and net realisable value)	57,901	52,826	22,909	22,157
Raw materials	608	126	–	–
Work-in-progress	199	209	–	–
Packaging materials	122	129	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
Total inventories	<u>58,830</u>	<u>53,290</u>	<u>22,909</u>	<u>22,157</u>

## 17. Trade and other receivables

	Group		Company	
	As at 31 Mar 2023	As at 31 Dec 2022	As at 31 Mar 2023	As at 31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
<b>Trade receivables</b>				
Third parties	9,530	2,772	973	208
Amounts due from subsidiaries	–	–	42,012	25,916
Less: Allowance for expected credit losses	(1,612)	(1,610)	(11,881)	(11,881)
	7,918	1,162	31,104	14,243
<b>Other receivables</b>				
Third parties	7,488	7,849	2,076	548
Refundable rental deposits	2,526	2,509	2,066	2,051
Amount due a related company	16	12	16	12
Amounts due from subsidiaries	–	–	17,813	19,882
Less: Allowance for expected credit losses	(248)	(262)	(9,370)	(9,370)
	9,782	10,108	12,601	13,123
Total trade and other receivables	17,700	11,270	43,705	27,366
Less: GST and VAT receivables	(4,188)	–	(973)	(207)
Total trade and other receivables at amortised cost	13,512	11,270	42,732	27,159

## 18. Cash and bank equivalents

A reconciliation of cash and bank balances to cash and cash equivalents in the consolidated statement of cash flows is as follows:

	Group		Company	
	As at 31 Mar 2023	As at 31 Dec 2022	As at 31 Mar 2023	As at 31 Dec 2022
	\$'000	\$'000	\$'000	\$'000
Cash at banks	434,945	484,831	258,840	270,046
Cash pledged for bank facilities	(24,743)	(3,004)	(3,000)	(3,000)
Cash pledged for security deposits	(4,438)	(4,438)	–	–
Cash and cash equivalents for consolidated statement of cash flows purposes at end of the financial period/year	405,764	477,389	255,840	267,046

## 19. Trade and other payables

	Group		Company	
	As at 31 Mar 2023 \$'000	As at 31 Dec 2022 \$'000	As at 31 Mar 2023 \$'000	As at 31 Dec 2022 \$'000
Trade payables				
- Third parties	5,793	6,608	5,670	2,393
Accrued operating expenses	19,992	50,382	14,585	39,519
	<u>25,785</u>	<u>56,990</u>	<u>20,255</u>	<u>41,912</u>
Other payables				
- Third parties	76,068	94,400	5,133	5,406
- Amount due to subsidiaries	–	–	–	970
	<u>76,068</u>	<u>94,400</u>	<u>5,133</u>	<u>6,376</u>
Total trade and other payables	101,853	151,390	25,388	48,288
Less: GST and VAT payables	–	(3,978)	–	–
Total trade and other payables at amortised cost	<u>101,853</u>	<u>147,412</u>	<u>25,388</u>	<u>48,288</u>

## 20. Share capital

### (a) Share Capital

	Group and Company		Group and Company	
	Issued ordinary shares (excluding treasury shares)		Issued and fully paid up capital (excluding treasury shares)	
	No. of shares		\$'000	
	2023	2022	2023	2022
At 1 January	436,120,193	544,100,114	2,343	10,027
Share purchased and cancelled	–	(54,410,011)	–	–
Share buy back – held as treasury shares	(1,328,000)	–	–	–
At 31 March	<u>434,792,193</u>	<u>489,690,103</u>	<u>2,343</u>	<u>10,027</u>

## 20. Share capital (Cont'd)

### (b) Treasury Shares

	<u>Group and Company</u>		<u>Group and Company</u>	
	<u>No. of shares</u>		<u>\$'000</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
At 1 January	14,892,800	10,291,900	18,275	10,591
Share buy back – held as treasury shares	<u>1,328,000</u>	<u>–</u>	<u>–</u>	<u>–</u>
31 March	<u>16,220,800</u>	<u>10,291,900</u>	<u>18,275</u>	<u>10,591</u>

For the three months ended 31 March 2023, the company purchased 1,328,000 of its ordinary shares (3 months ended 31 March 2022: Nil shares) by way of on-market purchase at share price ranging from S\$1.98 to S\$2.08 to be held as treasury shares.

The total number of issued ordinary shares excluding treasury shares as at 31 March 2023 was 434,792,193 (31 December 2022: 436,120,193).

There were no outstanding convertibles as at 31 March 2023 and 31 March 2022.

The total number of treasury shares as at 31 March 2023 was 16,220,800 (31 March 2022: 10,291,900).

## 21. Dividend

In view of the Group's short and medium term commitment which include but are not limited to, working capital requirements and corporate actions capital needs, as well as taking into consideration the uncertain business climate explained further in Section 4 of Other Information, no dividends have been declared/recommended by the Board for the financial period ended 31 March 2023.

**22. Earnings per share**

	GROUP		
	3 months ended 31.03.23	3 months ended 31.03.22	Change %
Earnings per share of Group:			
(a) Based on weighted average number of ordinary shares on issue (cts); and	4.71	5.21	(9.6)
(b) On a fully diluted basis (cts)	4.71	5.21	(9.6)

For comparative purposes, the earnings per ordinary shares for the three months ended 31 March 2023 and 31 March 2022 are calculated based on the profit for the period of approximately \$20.5 million and \$27.6 million respectively.

The weighted average number of ordinary shares (excluding treasury shares) for the three months ended 31 March 2023 is 435,057,793 (3 months ended 31 March 2022: 530,195,333).

**23. Net asset value per share**

	GROUP		COMPANY	
	31.03.23	31.12.22	31.03.23	31.12.22
Net asset value per ordinary shares (cents)	115.71	111.48	102.48	97.87

Note: The number of ordinary shares of the Group and Company (excluding treasury shares) as at 31 March 2023 was 434,792,193 (31 December 2022: 436,120,193).

## 24. Borrowings and debt securities

(i) Aggregate amount of Group's borrowings and debt securities.

Amount Repayable in One Year or less, or on Demand

As at 31.03.23		As at 31.03.23	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
5,000	-	-	-

Amount Repayable after One Year

As at 31.03.23		As at 31.12.22	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	-	-	-

(ii) Details of any collateral

As at 31 March 2023, the group's working capital loan is secured by fixed deposits pledged to bank and corporate guarantee from a certain subsidiary. The Group has no unsecured borrowings.

## 25. Related party transactions

The following were significant transactions between the Group and its related parties on rates and terms agreed between the parties during the financial year:

	<b>Group</b>	
	<b>For the three months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>With persons related to directors of the Company</b>		
Sale of goods	20	16
Commission expenses	(204)	(115)
Marketing fee	(23)	(55)
Consultancy fee expenses	(23)	(21)

## 26. Subsequent event

There is no known subsequent event which has led to adjustment on this set of interim financial statement.

## OTHER INFORMATION

A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following: -

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

### 1. Review

The statements of financial position as at 31 March 2023 and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, statements of changes in equity and consolidated statement of cash flows for the period 31 March 2023 and the selected explanatory notes (the "Condensed Consolidated Interim Financial Statements") have not been audited or reviewed by the Company's auditors.

### 2. Review of the performance of the Group

#### Consolidated Statement of Comprehensive Income

The Group's profit attributable to owners of the parent company decreased to \$20.5 million in 1Q2023 mainly due to the following factors:

- a) **Revenue** declined 30.8% in 1Q2023 to \$80.0 million mainly due to lower contributions from our franchise segment offsetting slight improvement from our direct selling segment. The decline of our franchise segment is attributed primarily to the overlap of festive season with the relaxation of Covid-19 restrictions, resulting in increased travel compared to 1Q2022. Additionally, there has been a decline in consumer sentiment due to recent macroeconomic challenges. The strong performance in China for 4Q2022 also contributed to the slower revenue growth in 1Q2023 as well;
- b) **Cost of sales** decreased to \$18.3 million in 1Q2023 from \$27.8 million in 1Q2022 as a result of the revenue decline. **Gross profit margin** remained relatively stable at 77.1% in 1Q2023 compared to 76.0% for the same period last year;
- c) **Interest income** increased from \$1.4 million in 1Q2022 to \$2.8 million in 1Q2023 was mainly due to higher interest derived from the Group's cash placed in dual currency deposits and fixed deposits with banks;
- d) **Other operating income** increased to \$0.8 million in 1Q2023 from \$0.2 million in 1Q2022 due to write back of unclaimed commissions of a certain subsidiary;
- e) In line with the decline of the Group's revenue, **Distribution costs** decreased by \$9.6 million or 34.4% when compared to the same period last year due to lower sales related expenses and lower event expenses incurred for the Franchise segment;
- f) **Administrative expenses** decreased from \$23.7 million in 1Q2022 to \$19.6 million mainly due to lower management and staff costs offsetting higher depreciation from the relocation of our HQ and Changsha Regional Centre ("RC") as well as commissioning of our Tuas manufacturing facility since obtaining Temporary Occupying Permit (TOP) in March 2022;

- g) **Finance costs** increased to \$0.3 million in 1Q2023 mainly due to higher lease expenses as a result of the relocation of our HQ and Changsha RC;
- h) **Net Other Losses** increased from \$0.5 million from 1Q2022 to \$1.0 million in 1Q2023 mainly as a result of higher foreign exchange losses recorded for 1Q2023 by certain subsidiaries as Singapore dollars strengthened against local currencies, and the revaluation of HQ cash and cash equivalents denominated in US Dollar and Chinese Yuan due to strengthening of Singapore dollars, offsetting fair value gain on other financial assets;
- i) **Share of results of our joint venture** in Pedal Pulses Limited was \$87,000 in 1Q2023 when compared to \$75,000 in 1Q2022 mainly due to higher share of profits for the period offsetting amortisation expenses of intangible assets identified during the purchase price allocation exercise;
- j) **Share of losses of our associated company**, Celligenics decreased from \$87,000 in 1Q2022 to \$37,000 in 1Q2023 mainly due to lower operating expenses; and
- k) The Group reported a lower **income tax expense** of \$5.9 million in 1Q2023 when compared to \$9.7 million in 1Q2022. The effective tax rate in 1Q2023 was 22.6% when compared to 26.0% in 1Q2022.

### Consolidated Statement of Financial Position

**Total assets (Group)** decreased by \$34.7 million from \$740.1 million as at 31 December 2022 to \$705.4 million as at 31 March 2023, mainly due to:

- Decrease in right-of-use assets of \$0.9 million mainly due to depreciation;
- Decrease in other assets of \$3.4 million due to decrease of deposits in relation to HQ renovation cost to property, plant and equipment; and
- Decrease in cash and cash equivalents of \$49.9 million due to reasons stated in the consolidated statement of cash flows section below.

This was partially offset by a \$5.0 million increase of property, plant and equipment from \$73.1 million to \$78.1 million as at 31 March 2023 due to capitalisation of the Group's HQ and Changsha RC renovation cost, increase in deferred tax assets of \$2.1 million due to higher unrealised profits from inventory, increase in inventories of \$5.5 million due to stock replenishment mainly from Franchise segment, increase in trade and other receivables of \$6.4 million as a result of net GST/VAT receivables and transactions pending clearance from payment service providers.

**Total liabilities (Group)** decreased by \$51.8 million from \$256.4 million as at 31 December 2022 to \$204.6 million as at 31 March 2023 was mainly due to:

- Decrease in income tax payables of \$4.1 million due to tax payment made during 1Q2023;
- Decrease in trade and other payables of \$49.5 million due to lower sales related expenses from Franchise segment as a result of low seasonality and management and staff incentives payout during the period;
- Decrease in contract liabilities of \$2.5 million due to lower deposits received from customers; and
- Decrease in total lease liabilities of \$1.1 million mainly due to payment of lease liabilities.

The above decline was offset by the increase in total other financial liabilities by \$5.2 million mainly due to loan drawdown from HQ.

## Consolidated Statement of Cash Flows

In 1Q2023, **net cash flows used in operating activities** of \$45.3 million was mainly attributable to the cash outflow from working capital changes due to lower trade and other payables as a result of management and staff incentive paid during the period, payment of sales related expenses for Franchise segment, higher trade and other receivables due to reasons explained above, as well as income tax paid during the period.

**Net cash flow used in investing activities** of \$4.4 million in 1Q2023 was mainly due to increase in property, plant and equipment in relation to our Group HQ and Changsha RC renovation, offsetting interest received during the period.

**Net cash flow used in financing activities** of \$21.3 million in 1Q2023 was mainly due to increase in restricted cash from pledge of fixed deposit amounting to \$21.7 million from a certain subsidiary and on-market share buyback of \$2.7 million during the period, offsetting a working capital loan of \$5.0 million.

As at 31 March 2023, the Group maintained approximately \$434.9 million in cash and cash equivalents.

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

The results are in line with Section 4 of Other Information of the last quarter's results announcement.

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

As the markets which we operate begin to return to normalcy, disruptions due to covid restriction look set to be a thing of the past. Management has however observed more conservative and restrained consumer spending habits, as the global economy enters into what experts termed as a "polycrisis", prompted by the coalescence of issues which include higher interest rates, inflation, banking crisis, climate change, the war in Ukraine and the intensifying polarisation of the world.

Barring any unforeseen circumstances, management maintains a cautious outlook for the next 12 months in light of the strong headwinds looming ahead.

Other factors that may affect the Group's performance in the next reporting period and for the next 12 months are as follows:

- As the Group procures in the United States Dollar and certain cash balances are also held in the currency, the rising interest rates and inflation rate may have a positive or negative impact to the United States Dollar, hence, impacting the Group's profitability;
- The Group's China subsidiary currently enjoys certain incentives granted by the local authorities, which if removed or reduced, may negatively impact the Group's profitability, given the significant contribution of China market to the Group;
- While the global economy is off to a rough start, good M&A opportunities may still arise. As a result, professional fees may be incurred by the Group for services which include, but are

not limited to, assessment of M&A targets, corporate actions, registrations and enforcement of the Group's intellectual properties in various markets, and professional updates of various regulations the Group is subject to in the markets we operate in, etc;

- Higher administrative expenses, e.g., management and staff costs are still expected for the Group in the periods ahead. There will also be higher expenses and depreciation in relation to the relocation/refurbishment of the Group's HQ and certain Regional Centres; and
- Fluctuating currency exchange rates of key markets which the Group operates in against the Singapore Dollar, may impact the Group's bottom-line either positively or negatively. On the other hand, management takes active measures in monitoring the situation and will implement appropriate measures in order to mitigate such risks.

Other ongoing factors that may affect the Group's performance include, but are not limited to, timeline for product license registration/renewal in key markets, natural or man-made disasters, unanticipated regulatory changes and disruptions from competitors and negative public opinion, whether real or unfounded.

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

The Group did not obtain a general mandate from shareholders for Interested Person Transactions.

**Interested Person Transactions**

Name of Interested Person	For the three months ended 31 March 2023	
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920
	\$'000	\$'000
Pek Lu Pin <sup>(1)</sup>		
- Sales	6	NA
- Freelance commission paid	77	NA
- Marketing fee paid	23	NA
Pek Jia Rong <sup>(1)</sup>		
- Sales	3	NA
- Freelance commission paid	99	NA

Note (1): Daughter of Doreen Tan Nee Moi

**6. Board Negative Assurance Confirmation for Interim Financial Results**

We, Dora Hoan Beng Mui and Doreen Tan Nee Moi, being two directors of Best World International Limited (the "Company"), do hereby confirm, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results for the three months ended 31 March 2023 to be false or misleading.

**7. Confirmation Pursuant to Rule 720(1) of the Listing Manual**

Best World International Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

**On behalf of the Board of Directors**

Dora Hoan Beng Mui  
Co-Chairman, Group CEO/ Managing Director

Doreen Tan Nee Moi  
Co-Chairman, President

9 May 2023