IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached information memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached information memorandum. In accessing the attached information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: In order to be eligible to view the attached information memorandum or make an investment decision with respect to the notes, investors must not be (i) a U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")) or (ii) located within the United States. The attached information memorandum is being sent at your request and by accepting this e-mail and accessing the attached information memorandum, you shall be deemed to have represented to us (1) that you are not located in the United States nor a U.S. person, as defined in Regulation S under the Securities Act, nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. and, to the extent you purchase the notes described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, and (2) that you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this e-mail and accessing the attached information memorandum, if you are an investor in Singapore, you (A) represent and warrant that you are either (i) an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, and (B) agree to be bound by the limitations and restrictions described therein. Any reference to the "**SFA**" is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

The attached information memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.), DBS Bank Ltd. or any person who controls any of them nor any of their respective directors, officers, employees, agents, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the information memorandum distributed to you in electronic format and the hard copy version.

Restrictions: The attached information memorandum is being furnished in connection with an offering of notes exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the subscription for or purchase of the notes described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN

REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) or DBS Bank Ltd. to subscribe for or purchase any of the notes described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (as defined in Regulation S under the Securities Act).

The attached information memorandum or any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) in such jurisdiction. The attached information memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the attached information memorandum on the basis that you are a person into whose possession the attached information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the attached information memorandum, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to subscribe for or purchase any of the notes described therein.**

Actions that You May Not Take: If you receive the attached information memorandum by e-mail, you should not reply by e-mail, and you may not purchase any notes by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED TO, AND YOU MAY NOT, FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS ELECTRONIC COMMUNICATION AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. **If you receive the attached information memorandum by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.**

INFORMATION MEMORANDUM DATED 12 JULY 2024

Aspial Lifestyle Limited

(formerly known as Maxi-Cash Financial Services Corporation Ltd.)

(Incorporated in the Republic of Singapore on 10 April 2008)
(UEN/Company Registration No. 200806968Z)

S$300,000,000
Multicurrency Medium Term Note Programme

Under the Multicurrency Medium Term Note Programme described in this Information Memorandum (the "**Programme**"), Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the "**Notes**"). The maximum aggregate principal amount of Notes from time to time outstanding under the Programme will not at any time exceed S$300,000,000 (or its equivalent in other currencies), subject to increase as described herein.

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**") under the Securities and Futures Act 2001 of Singapore, as amended from time to time (the "**SFA**"). Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes to be issued from time to time by the Issuer pursuant to the Programme may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Any reference to the "**SFA**" is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in connection with the Programme and application will be made for the listing and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted for listing and quotation on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of any Notes on, the SGX-ST are not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), the Programme or such Notes.

An investment in the Notes issued under the Programme involves certain risks. Potential investors should pay attention to the risk factors and considerations set out in the section on "Investment Considerations".

Arranger

DBS

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NOTICE

DBS Bank Ltd. (the "**Arranger**") has been authorised by the Issuer to arrange the Programme described herein. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes denominated in Singapore dollars and/or any other currencies.

This Information Memorandum contains information with regard to the Issuer, its subsidiaries and associated companies (if any), the Programme and the Notes. The Issuer confirms that this Information Memorandum contains all information which is material in the context of the Programme and the issue and offering of the Notes, that the information contained in this Information Memorandum is true and accurate in all material respects, that the opinions, expectations and intentions expressed in this Information Memorandum have been carefully considered, are based on all relevant considerations and facts existing at the date of this Information Memorandum and are fairly, reasonably and honestly held by the Issuer, and that there are no other facts the omission of which in the context of the Programme and the issue and offering of the Notes would make any such information or expressions of opinion, expectation or intention misleading in any material respect. Where information not relating to the Issuer and/or the Group (as defined herein) is extracted from published or otherwise publicly available sources, the sole responsibility of the Issuer has been to ensure that such information has been accurately and correctly extracted from these sources.

Notes may be issued in series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than variable rate notes (as described under the section "Summary of the Programme")) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each series may be issued in one or more tranches on the same or different issue dates. The Notes will be issued in bearer form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Note (as defined herein) or a Permanent Global Note (as defined herein) which will be deposited on the relevant issue date with either CDP (as defined herein) or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") or otherwise delivered as agreed between the Issuer and the relevant Dealer(s) (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s) and may be subject to redemption or purchase in whole or in part. The Notes may bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Issuer and the relevant Dealer(s). The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined herein) issued in relation to each series or tranche of Notes. Details applicable to each series or tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

The maximum aggregate principal amount of the Notes to be issued, when added to the aggregate principal amount of all Notes outstanding (as defined in the Trust Deed referred to herein) shall be S$300,000,000 (or its equivalent in any other currencies) or such higher amount in accordance with the terms of the Programme Agreement (as defined herein).

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers. Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer or any of its subsidiaries or associated companies (if any). Neither this

Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to subscribe for or purchase, the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum or any such other document or information (or any part thereof) and the offer of the Notes in certain jurisdictions may be restricted by law. Persons who distribute or publish this Information Memorandum or any such other document or information (or any part thereof) or into whose possession this Information Memorandum or any such other document or information (or any part thereof) comes are required to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations.

The Notes have not been, and will not be, registered under the Securities Act (as defined herein) or with any securities regulatory authority of any state or other jurisdiction of the U.S., and the Notes are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to subscribe for or purchase, any of the Notes.

This Information Memorandum and any other documents or materials in relation to the issue, offering, purchase or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealer(s) of the Notes from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are institutional investors (as defined in Section 4A of the SFA) or accredited investors (as defined in Section 4A of the SFA) and may not be relied upon by any person other than persons to whom the Notes are sold or with whom they are placed by the relevant Dealer(s) as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof (including copies thereof) in any manner whatsoever.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, subscription for, purchase or sale of the Notes shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer or any of its subsidiaries or associated companies (if any) or in the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

The Arranger and the Dealers have not separately verified the information contained in this Information Memorandum. None of the Arranger, any of the Dealers or any of their respective officers, employees or agents is making any representation or warranty expressed or implied as to the merits of the Notes or the subscription, purchase or acquisition thereof, or the creditworthiness or financial condition or otherwise of the Issuer or its subsidiaries or associated companies (if any). Further, neither the Arranger nor any of the Dealers makes any representation or warranty as to the Issuer, its subsidiaries or associated companies (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and the documents which are incorporated by reference in, and form part of, this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Notes. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer and its subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer and its subsidiaries and associated companies (if any). Accordingly, notwithstanding anything herein, none of the Arranger, the Dealers or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Notes by a recipient of this Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, none of the Arranger nor any of the Dealers accepts any responsibility for the contents of this Information Memorandum or for any other statement made or purported to be made by the Arranger or any of the Dealers or on its behalf in connection with the Issuer, the Group, the Programme or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

In connection with the issue of any tranche or series of Notes, one or more Dealers named as stabilising manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager) will undertake any stabilisation action. Any stabilisation action may begin at any time, on or after the date on which adequate public disclosure of the terms of the offer of the relevant series of Notes is made and, if begun, may be ended or discontinued at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant series of Notes and 60 days after the date of the allotment of the relevant series of Notes. Any stabilisation action will be conducted in accordance with the law.

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports, audited consolidated financial statements and/or publicly announced unaudited consolidated financial statements of the Issuer and its subsidiaries and associated companies (if any), and (2) any supplement or amendment to this Information Memorandum issued by the Issuer (including each relevant Pricing Supplement). This Information Memorandum is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any series or tranche of Notes, any Pricing Supplement in respect of such series or tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum. The Issuer's latest annual report and the latest audited consolidated financial statements of the Group are incorporated into this Information Memorandum by reference and are available on the website of the SGX-ST at www.sgx.com. Copies of all documents deemed incorporated by reference herein are available for inspection at the respective specified office of the Principal Paying Agent (as defined herein) or, as the case may be, the Non-CDP Paying Agent (as defined herein).

Website(s) referenced in this Information Memorandum are intended as guides as to where other public information relating to the Issuer, its subsidiaries and associated companies (if any) may be obtained free of charge. Unless otherwise incorporated by reference, information appearing on such website(s) does not form part of this Information Memorandum or any applicable Pricing Supplement and none of the Issuer, any of its subsidiaries or associated companies (if any), the Arranger or any of the Dealers accepts any responsibility whatsoever that such information, if available, is accurate and/or up to date. Such information, if available, should not form the basis of any investment decision by an investor to subscribe for or purchase any of the Notes.

Any subscription for, purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Notes by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the subscription for, purchase or acquisition of the Notes or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuer, the Arranger or any of the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Notes are not issued by the Issuer pursuant to the Programme Agreement.

Any discrepancies in the tables included herein between the listed amounts and the totals thereof are due to rounding.

The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Notes set out under the section "Subscription, Purchase and Distribution" on pages 118 to 124 of this Information Memorandum.

Any person(s) who is/are invited to subscribe for or purchase the Notes or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the Notes consult their own legal, financial, tax and other advisers before subscribing for, purchasing or acquiring the Notes.

Prospective investors should pay attention to the risk factors set out under the section on "Investment Considerations" in this Information Memorandum.

Notification under Section 309B(1)(c) of the SFA: Unless otherwise stated in the Pricing Supplement in respect of any Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

MiFID II PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the

Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET – The applicable Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the applicable Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPS Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would" and "could" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Issuer and/or the Group (including statements as to the Issuer's and/or the Group's revenue, profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical facts and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuer and/or the Group, expected growth in the Issuer and/or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors include, among others:

- changes in general political, social and economic conditions;
- changes in the tax and regulatory regimes;
- changes in currency exchange and interest rates;
- demographic changes;
- changes in competitive conditions; and
- other factors beyond the control of the Issuer and/or the Group.

Some of these factors are discussed in greater detail in this Information Memorandum, in particular, but not limited to, the discussion under the section "Investment Considerations".

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuer or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuer, the Arranger and the Dealers do not represent or warrant that the actual future results, performance or achievements of the Issuer or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of any Notes by the Issuer shall under any circumstances constitute a continuing representation, or create any suggestion or implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer or any of its subsidiaries or associated companies (if any) or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum or the date on which this Information Memorandum has been most recently amended or supplemented.

Further, the Issuer, the Arranger and the Dealers disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

DEFINITIONS

The following definitions have, where appropriate, been used in this Information Memorandum:

“**Agency Agreement**”	:	The agency agreement dated 5 April 2017 between (1) the Issuer, as issuer, (2) the Principal Paying Agent, as principal paying agent, (3) the Non-CDP Paying Agent, as non-CDP paying agent, and (4) the Trustee, as trustee, as amended, restated or supplemented from time to time.
“**Agent Bank**”	:	In relation to any Series of Notes, the person appointed as agent bank for that Series and as specified in the applicable Pricing Supplement.
“**Agent Bank Agreement**”	:	An agent bank agreement between the Issuer, the Trustee and the relevant Agent Bank made pursuant to Clause 2.5 of the Programme Agreement, substantially in the form set out in Appendix 6 to the Programme Agreement.
“**Arranger**”	:	DBS Bank Ltd.
“**Aspial**”	:	Aspial Corporation Limited.
“**Aspial Group**”	:	Aspial Corporation Limited and its subsidiaries.
“**BigFundr**”	:	BigFundr Private Limited.
“**CDP**” or the “**Depository**”	:	The Central Depository (Pte) Limited.
“**CMS Licence**”	:	Capital market services licence.
“**Companies Act**”	:	Companies Act 1967 of Singapore, as amended or modified from time to time.
“**Conditions**”	:	In relation to the Notes of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part II of Schedule 1 to the Trust Deed, as modified, with respect to any Notes represented by a Global Note, by the provisions of such Global Note, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Notes of such Series and shall be endorsed on the Definitive Notes subject to amendment and completion as referred to in the first paragraph appearing after the heading “Terms and Conditions of the Notes” as set out in Part II of Schedule 1 to the Trust Deed, and any reference to a particularly numbered Condition shall be construed accordingly.
“**Couponholders**”	:	The holders of the Coupons.

"Coupons"	:	The interest coupons appertaining to an interest bearing Definitive Note.
"Dealers"	:	Persons appointed as dealers under the Programme.
"Deed of Covenant"	:	The deed of covenant dated 5 April 2017 executed by the Issuer by way of deed poll in relation to the Notes (which are represented by a Global Note and which are deposited with the Depository), as amended, restated or supplemented from time to time.
"Definitive Note"	:	A definitive Note, in bearer form, being substantially in the form set out in Part I of Schedule 1 to the Trust Deed and having, where appropriate, Coupons attached on issue.
"Depository Agreement"	:	The application form dated 5 April 2017 signed by the Issuer and accepted by the Depository together with the terms and conditions for the provision of depository services by the Depository referred to therein, as amended, restated or supplemented from time to time.
"Euro"	:	The lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.
"FSMA 2022"	:	Financial Services and Markets Act 2022 of Singapore, as amended or modified from time to time.
"FY"	:	Financial year ended 31 December.
"Global Note"	:	A global Note representing Notes of one or more Tranches of the same Series, being a Temporary Global Note and/or, as the context may require, a Permanent Global Note, in each case without Coupons.
"Group"	:	The Issuer and its subsidiaries.
"Issue Documents"	:	The Trust Deed, the Agency Agreement, the Agent Bank Agreement, the Depository Agreement and the Deed of Covenant.
"Issuer"	:	Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.).
"IRAS"	:	Inland Revenue Authority of Singapore.
"ITA"	:	Income Tax Act 1947 of Singapore, as amended or modified from time to time.
"Latest Practicable Date"	:	10 July 2024.

"MAS"	:	Monetary Authority of Singapore.
"MAS Act"	:	Monetary Authority of Singapore Act 1970 of Singapore, as amended or modified from time to time.
"MLHS"	:	MLHS Holdings Pte. Ltd.
"MRT"	:	Mass Rapid Transit.
"Non-CDP Paying Agent"	:	Deutsche Bank AG, Hong Kong Branch.
"Noteholders"	:	The holders of the Notes.
"Notes"	:	The multicurrency medium term notes of the Issuer issued or to be issued pursuant to the Programme Agreement and constituted by the Trust Deed (and shall, where the context so admits, include the Global Notes and the Definitive Notes).
"Pawnbrokers Act 2015"	:	Pawnbrokers Act 2015 of Singapore, as amended or modified from time to time.
"Paying Agents"	:	The Principal Paying Agent and the Non-CDP Paying Agent, or such other or further institutions as may from time to time be appointed by the Issuer as paying agent for the Notes and Coupons.
"Permanent Global Note"	:	A Global Note representing Notes of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Note, being substantially in the form set out in Schedule 3 to the Trust Deed.
"Pricing Supplement"	:	In relation to any Tranche or Series, a pricing supplement supplemental to this Information Memorandum, specifying the relevant issue details in relation to such Tranche or, as the case may be, Series, substantially in the form of Appendix 2 to the Programme Agreement.
"Principal Paying Agent"	:	Deutsche Bank AG, Singapore Branch.
"Programme"	:	The S$300,000,000 Multicurrency Medium Term Note Programme established by the Issuer pursuant to the Programme Agreement.
"Programme Agreement"	:	The programme agreement dated 5 April 2017 made between (1) the Issuer, as issuer, (2) the Arranger, as arranger, and (3) DBS Bank Ltd., as dealer, as amended, restated or supplemented from time to time.

"**PSPM Act**"	:	Precious Stones and Precious Metals (Prevention of Money Laundering, Terrorism Financing and Proliferation Financing) Act 2019 of Singapore, as amended or modified from time to time.
"**S$**" or "**Singapore dollars**"	:	The lawful currency of Singapore.
"**Secondhand Goods Dealers Act**"	:	Secondhand Goods Dealers Act 2007 of Singapore, as amended or modified from time to time.
"**Securities Act**"	:	Securities Act of 1933 of the United States, as amended or modified from time to time.
"**Series**"	:	(1) (in relation to Notes other than variable rate notes) a Tranche, together with any further Tranche or Tranches, which are (a) expressed to be consolidated and forming a single series and (b) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to variable rate notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest.
"**SFA**"	:	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time.
"**SFRS(I)**"	:	Singapore Financial Reporting Standards (International).
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited.
"**Shares**"	:	Ordinary shares in the capital of the Issuer.
"**subsidiary**"	:	Any company which is for the time being a subsidiary (within the meaning of Section 5 of the Companies Act).
"**TARGET System**"	:	The Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.
"**Temporary Global Note**"	:	A Global Note representing Notes of one or more Tranches of the same Series on issue, being substantially in the form set out in Schedule 2 to the Trust Deed.
"**Tranche**"	:	Notes which are identical in all respects (including as to listing).
"**Trust Deed**"	:	The trust deed dated 5 April 2017 made between (1) the Issuer, as issuer, and (2) the Trustee, as trustee, as amended, restated or supplemented from time to time.

“**Trustee**”	:	DB International Trust (Singapore) Limited.
“**United States**” or “**U.S.**”	:	United States of America.
“**US$**”	:	The lawful currency of the United States of America.
“**%**” or “**per cent.**”	:	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

CORPORATE INFORMATION

Issuer	:	Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.)
Board of Directors	:	Koh Wee Seng Ng Kean Seen Ko Lee Meng Yeo Yun Seng Bernard Tan Soo Kiang Ng Bie Tjin @ Djuniarti Intan
Company Secretaries	:	Lim Swee Ann Janet Tan
Registered Office	:	80 Raffles Place #32-01 UOB Plaza Singapore 048624
Auditors	:	Ernst & Young LLP One Raffles Quay North Tower Level 18 Singapore 048583
Arranger and Dealer of the Programme	:	DBS Bank Ltd. 12 Marina Boulevard, Level 42 Marina Bay Financial Centre Tower 3 Singapore 018982
Legal Advisers to the Arranger	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Advisers to the Issuer	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542
Legal Advisers to the Trustee (as at the date of establishment of the Programme)	:	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
Principal Paying Agent	:	Deutsche Bank AG, Singapore Branch One Raffles Quay #16-00 South Tower Singapore 048583
Non-CDP Paying Agent	:	Deutsche Bank AG, Hong Kong Branch Level 52, International Commerce Centre, 1 Austin Road West Kowloon, Hong Kong

Trustee for the Noteholders	:	DB International Trust (Singapore) Limited One Raffles Quay #16-00 South Tower Singapore 048583

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Information Memorandum and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in the "Definitions" and "Terms and Conditions of the Notes" sections in this Information Memorandum shall (where applicable) have the same meanings in this summary.

Issuer	:	Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.).
Arranger	:	DBS Bank Ltd.
Dealers	:	DBS Bank Ltd. and/or such other Dealers as may be appointed by the Issuer in accordance with the Programme Agreement.
Principal Paying Agent	:	Deutsche Bank AG, Singapore Branch.
Non-CDP Paying Agent	:	Deutsche Bank AG, Hong Kong Branch.
Trustee	:	DB International Trust (Singapore) Limited.
Description	:	S$300,000,000 Multicurrency Medium Term Note Programme.
Programme Size	:	The maximum aggregate principal amount of the Notes outstanding at any time shall be S$300,000,000 (or its equivalent in other currencies) or such higher amount in accordance with the terms of the Programme Agreement.
Currency	:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).
Use of Proceeds	:	Net proceeds arising from the issue of the Notes under the Programme (after deducting issue expenses) will be used for general corporate purposes, including, but not limited to, refinancing or repayment of existing borrowings and financing of investments, acquisitions, expansions, working capital and/or capital expenditure requirements of the Group or such other purposes as may be specified in the relevant Pricing Supplement.
Method of Issue	:	Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The issue size for each Series shall be agreed between the Issuer and the relevant Dealer(s). The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.

Issue Price	:	Notes may be issued at par or at a discount, or premium, to par.
Tenor	:	Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s).
Redemption on Maturity	:	Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face.
Interest Basis	:	Notes may bear interest at fixed, floating, variable or hybrid rates or such other rates as may be agreed between the Issuer and the relevant Dealer(s) or may not bear interest.
Fixed Rate Notes	:	Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.
Floating Rate Notes	:	Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s), as adjusted for any applicable margin. Interest periods in relation to the Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue. Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).
Variable Rate Notes	:	Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.
Hybrid Notes	:	Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Issuer and the relevant Dealer(s).

Zero Coupon Notes	:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.
Form and Denomination of the Notes	:	The Notes will be issued in bearer form only and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of Notes may initially be represented by a Temporary Global Note or a Permanent Global Note. Each Temporary Global Note may be deposited on the relevant issue date with CDP, a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system and will be exchangeable, upon request as described therein, either for a Permanent Global Note or Definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Note may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for Definitive Notes upon the terms therein.
Custody of the Notes	:	Notes may be cleared through CDP, Euroclear and/or Clearstream, Luxembourg or such other clearing system as may be agreed between the Issuer and the relevant Dealer(s). Notes which are to be cleared through CDP are required to be kept with CDP as authorised depository. Notes which are to be cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a common depositary for Euroclear and Clearstream, Luxembourg.
Status of the Notes	:	The Notes and Coupons of all Series will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.
Optional Redemption and Purchase	:	If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the Noteholders. Further, if so provided on the face of the Note and the relevant Pricing Supplement, Notes may be purchased by the Issuer (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the Noteholders.

Redemption upon Cessation or Suspension of Trading of the Issuer's Shares	:	In the event that (i) the shares of the Issuer cease to be traded on the SGX-ST or (ii) trading in the shares of the Issuer on the SGX-ST is suspended for a continuous period of more than seven market days, the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date falling 45 days after the Effective Date. "**Effective Date**" means (in the case of (i)) the date of cessation of trading or (in the case of (ii)) the business day immediately following the expiry of such continuous period of seven market days.
Redemption at the Option of the Noteholders Pursuant to Change of Shareholding Event	:	If, for any reason, a Change of Shareholding Event occurs, the Issuer will within seven days of such occurrence give notice to the Noteholders of the occurrence of such event (the "**Notice**") and shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption, on the date falling 60 days from the date of the Notice (or if such date is not a business day, on the next day which is a business day). To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Principal Paying Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Principal Paying Agent or the Issuer (as applicable), no later than 15 days from the date of the Notice. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. For the purposes of this paragraph, a "**Change of Shareholding Event**" occurs when Koh Wee Seng, Ko Lee Meng and Koh Lee Hwee cease to have in aggregate an interest (whether direct or deemed) of more than 50 per cent. of the issued share capital of the Issuer.
Negative Pledge	:	The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its Principal Subsidiaries (as defined in Condition 9 of the Notes) will, create or have outstanding any security over the whole or any part of its business undertakings, assets, property or revenues (including uncalled capital), present or future, save for: (i) liens arising solely by operation of law (or by an agreement evidencing the same) and in the ordinary course of business, in respect of indebtedness which either (1) has been due for less than 30 days or (2) is being contested in good faith and by appropriate means;

(ii) (1) any security existing as at the date of the Trust Deed over any of their respective assets and disclosed in writing to the Trustee on or prior to the date of the Trust Deed and (2) any security to be created over such assets for the purpose of the refinancing of or increase in the indebtedness secured by such security provided that, in the case of (2) only, the amount secured shall not at any time exceed 80 per cent. of the current market value of such asset at that time;

(iii) any security on or over their respective assets acquired, renovated, refurbished or developed by it after the date of the Trust Deed for the sole purpose of financing the acquisition (including acquisition by way of acquisition of the shares in the company or entity owning (whether directly or indirectly) such assets), renovation, refurbishment or development or any refinancing or increase in amount of such financing and, in each case, securing a principal amount not exceeding the cost of such acquisition, renovation, refurbishment or development or the market value of such development;

(iv) any security interest created by way of a fixed charge and/or floating charge on or over their respective assets for the purpose of securing working capital facilities granted in the ordinary course of business;

(v) any security created to secure its liabilities in respect of letters of credit, performance bonds and/or bank guarantees issued in the ordinary course of its business;

(vi) (in the case of a company which becomes a Principal Subsidiary of the Issuer after the date of the Trust Deed) any existing security over the assets of such Principal Subsidiary subsisting as at the date on which it became a Principal Subsidiary; and

(vii) any other security which has been approved by the Trustee or the Noteholders by way of an Extraordinary Resolution.

Financial Covenants : The Issuer has further covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will ensure that:

(i) the Consolidated Tangible Net Worth shall not at any time be less than S$70,000,000; and

(ii) the ratio of Consolidated Total Borrowings to Consolidated Total Assets shall not at any time exceed 0.70:1.

For the purposes of these Conditions:

(1) "**Consolidated Tangible Net Worth**" means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:

(A) the amount paid up or credited as paid up on the issued share capital of the Issuer; and

(B) the amounts standing to the credit of the capital and revenue reserves (including profit and loss account) of the Group on a consolidated basis,

all as shown in the then latest audited consolidated balance sheet of the Group but after:

(aa) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraphs (A) and (B) above of the Group since the date of the latest audited consolidated balance sheet of the Group;

(bb) excluding any sums set aside for future taxation; and

(cc) deducting:

(I) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group;

(II) all goodwill and other intangible assets; and

(III) any debit balances on consolidated profit and loss account;

(2) “**Consolidated Total Assets**” means, at any particular time, the consolidated amount of the book values of all the assets of the Group, determined as assets in accordance with generally accepted accounting principles in Singapore; and

(3) “**Consolidated Total Borrowings**” means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:

(A) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months;

(B) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;

(C) the liabilities of the Issuer under the Trust Deed or the Notes;

(D) all other indebtedness whatsoever of the Group for borrowed moneys; and

(E) any redeemable preference shares issued by any member of the Group and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group.

General Covenants : The Issuer has further covenanted with the Trustee in the Trust Deed, amongst others, that so long as any of the Notes remains outstanding, it will:

(i) not, and will ensure that none of its Principal Subsidiaries will, (whether by a single transaction or a number of related or unrelated transactions and whether at one time or over a period of time) sell, transfer, lease out, lend or otherwise dispose of (whether outright, by a sale-and-repurchase or sale-and-leaseback arrangement, or otherwise) all or substantially all of its assets nor of any part of its assets which, either alone or when aggregated with all other disposals required to be taken into account under Condition 3(c)(i) of the Notes, is substantial in relation to the Group taken as a whole or the disposal of which (either alone or when so aggregated) could have a material adverse effect on either the Issuer or the Group. The following disposals shall not be taken into account under Condition 3(c)(i) of the Notes:

(1) disposals in the ordinary course of business on an arm’s length basis and on normal commercial terms; and

(2) any disposal approved by the Trustee or by the Noteholders by way of an Extraordinary Resolution;

(ii) ensure that there is no material change in the nature of its business, or the business of the Group taken as a whole (whether by a single transaction or a number of related or unrelated transactions, whether at one time or over a period of time and whether by disposal, acquisition or otherwise) provided that, so long as pawnbroking remains the core business of the Group, nothing in Condition 3(c)(ii) of the Notes shall prevent the Issuer and/or the Group from entering into or undertaking new business segments or areas which are not reasonably likely to have a material adverse effect on the Issuer; and

(iii) not, unless required by law, without the prior written consent of the Trustee or the prior approval of the Noteholders by way of an Extraordinary Resolution, undertake, permit or effect any re-organisation, amalgamation, reconstruction, take-over, merger or consolidation with any other company or person or any other schemes of compromise or arrangement affecting its present constitution, save where (1) following such event, the Issuer remains as the surviving entity, (2) such event does not involve insolvency, and (3) such event is not reasonably likely to have a material adverse effect on the Issuer.

Events of Default	:	See Condition 9 of the Notes.
Taxation	:	All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see Condition 7 of the Notes and the section "Singapore Taxation" herein.

Listing	:	Each Series of the Notes may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any other stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s) (or the lead manager in the case of a syndicated issue), subject to all necessary approvals having been obtained. If the application to the SGX-ST to list a particular Series of Notes is approved, for so long as such Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in foreign currencies).
Selling Restrictions	:	For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see the section "Subscription, Purchase and Distribution" herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.
Governing Law	:	The Programme and any Notes issued under the Programme will be governed by, and construed in accordance with, the laws of Singapore.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Notes and in the relevant Pricing Supplement.

The Notes are constituted by a Trust Deed (as amended, restated or supplemented from time to time, the "**Trust Deed**") dated 5 April 2017 made between (1) Maxi-Cash Financial Services Corporation Ltd. (the "**Issuer**") and (2) DB International Trust (Singapore) Limited (the "**Trustee**", which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Noteholders (as defined below), and (where applicable) the Notes are issued with the benefit of a deed of covenant (as amended, restated or supplemented from time to time, the "**Deed of Covenant**") dated 5 April 2017, relating to the Notes executed by the Issuer. These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which include the form of the Notes and Coupons referred to below. The Issuer has entered into an Agency Agreement (as amended, restated or supplemented from time to time, the "**Agency Agreement**") dated 5 April 2017 made between (1) the Issuer, (2) Deutsche Bank AG, Singapore Branch, as principal paying agent (in such capacity, the "**Principal Paying Agent**"), (3) Deutsche Bank AG, Hong Kong Branch, as non-CDP paying Agent (in such capacity, the "**Non-CDP Paying Agent**" and, together with the Principal Paying Agent, the "**Paying Agents**") and (4) the Trustee, as trustee. The Noteholders and the holders of the coupons (the "**Coupons**") appertaining to the interest-bearing Notes (the "**Couponholders**") are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant. For the purposes of these Conditions, all references to the Principal Paying Agent shall, with respect to a Series of Notes to be cleared through a clearing system other than the CDP System (as defined in the Trust Deed), be deemed to be a reference to the Non-CDP Paying Agent and all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection at the principal office of the Trustee for the time being and at the respective specified offices of the Paying Agents for the time being.

1. Form, Denomination and Title

(a) Form and Denomination

(i) The Notes of the Series of which this Note forms part (in these Conditions, the "**Notes**") are issued in bearer form in each case in the Denomination Amount shown hereon.

(ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face).

(iii) Notes are serially numbered and issued with Coupons attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to default interest referred to in Condition 6(f)) in these Conditions are not applicable.

(b) Title

(i) Title to the Notes and the Coupons appertaining thereto shall pass by delivery.

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note or Coupon shall be deemed to be and may be treated as the absolute owner of such Note or of such Coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note or Coupon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

(iii) For so long as any of the Notes is represented by a Global Note and such Global Note is held by a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited (the "**Depository**"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save for manifest error) shall be treated by the Issuer, the Principal Paying Agent, the Non-CDP Paying Agent, the Agent Bank, all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, redemption, purchase and/or any other amounts in respect of the Notes, for which purpose the bearer of the Global Note shall be treated by the Issuer, the Principal Paying Agent, the Non-CDP Paying Agent, the Agent Bank, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository.

(iv) In these Conditions, "**Global Note**" means the relevant Temporary Global Note representing each Series or the relevant Permanent Global Note representing each Series, "**Noteholder**" means the bearer of any Definitive Note (as defined in the Trust Deed) and "**holder**" (in relation to a Definitive Note or Coupon) means the bearer of any Definitive Note or Coupon, "**Series**" means (1) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (A) expressed to be consolidated and forming a single series and (B) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).

(v) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

3. Negative Pledge and Financial Covenants

(a) Negative Pledge

The Issuer has covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will not, and will ensure that none of its Principal Subsidiaries (as defined in Condition 9) will, create or have outstanding any security over the whole or any part of its business undertakings, assets, property or revenues (including uncalled capital), present or future, save for:

(i) liens arising solely by operation of law (or by an agreement evidencing the same) and in the ordinary course of business, in respect of indebtedness which either (1) has been due for less than 30 days or (2) is being contested in good faith and by appropriate means;

(ii) (1) any security existing as at the date of the Trust Deed over any of their respective assets and disclosed in writing to the Trustee on or prior to the date of the Trust Deed and (2) any security to be created over such assets for the purpose of the refinancing of or increase in the indebtedness secured by such security provided that, in the case of (2) only, the amount secured shall not at any time exceed 80 per cent. of the current market value of such asset at that time;

(iii) any security on or over their respective assets acquired, renovated, refurbished or developed by it after the date of the Trust Deed for the sole purpose of financing the acquisition (including acquisition by way of acquisition of the shares in the company or entity owning (whether directly or indirectly) such assets), renovation, refurbishment or development or any refinancing or increase in amount of such financing and, in each case, securing a principal amount not exceeding the cost of such acquisition, renovation, refurbishment or development or the market value of such development;

(iv) any security interest created by way of a fixed charge and/or floating charge on or over their respective assets for the purpose of securing working capital facilities granted in the ordinary course of business;

(v) any security created to secure its liabilities in respect of letters of credit, performance bonds and/or bank guarantees issued in the ordinary course of its business;

(vi) (in the case of a company which becomes a Principal Subsidiary of the Issuer after the date of the Trust Deed) any existing security over the assets of such Principal Subsidiary subsisting as at the date on which it became a Principal Subsidiary; and

(vii) any other security which has been approved by the Trustee or the Noteholders by way of an Extraordinary Resolution.

(b) Financial Covenants

The Issuer has further covenanted with the Trustee in the Trust Deed that so long as any of the Notes remains outstanding, it will ensure that:

(i) the Consolidated Tangible Net Worth shall not at any time be less than S$70,000,000; and

(ii) the ratio of Consolidated Total Borrowings to Consolidated Total Assets shall not at any time exceed 0.70:1.

For the purposes of these Conditions:

(1) "**Consolidated Tangible Net Worth**" means the amount (expressed in Singapore dollars) for the time being, calculated in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:

(A) the amount paid up or credited as paid up on the issued share capital of the Issuer; and

(B) the amounts standing to the credit of the capital and revenue reserves (including profit and loss account) of the Group on a consolidated basis,

all as shown in the then latest audited consolidated balance sheet of the Group but after:

(aa) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraphs (A) and (B) above of the Group since the date of the latest audited consolidated balance sheet of the Group;

(bb) excluding any sums set aside for future taxation; and

(cc) deducting:

(I) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated balance sheet of the Group and which have been declared, recommended or made since that date except so far as provided for in such balance sheet and/or paid or due to be paid to members of the Group;

(II) all goodwill and other intangible assets; and

(III) any debit balances on consolidated profit and loss account;

(2) "**Consolidated Total Assets**" means, at any particular time, the consolidated amount of the book values of all the assets of the Group, determined as assets in accordance with generally accepted accounting principles in Singapore; and

(3) "**Consolidated Total Borrowings**" means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with generally accepted accounting principles in Singapore, equal to the aggregate of:

(A) bank overdrafts and all other indebtedness in respect of any borrowings maturing within 12 months;

(B) the principal amount of the Notes or any bonds or debentures of any member of the Group whether issued for cash or a consideration other than cash;

(C) the liabilities of the Issuer under the Trust Deed or the Notes;

(D) all other indebtedness whatsoever of the Group for borrowed moneys; and

(E) any redeemable preference shares issued by any member of the Group and which is regarded by generally accepted accounting principles in Singapore as debt or other liability of the Group.

(c) General Covenants

So long as any of the Notes remains outstanding, the Issuer has further covenanted with the Trustee in the Trust Deed, amongst others, that it will:

(i) not, and will ensure that none of its Principal Subsidiaries will, (whether by a single transaction or a number of related or unrelated transactions and whether at one time or over a period of time) sell, transfer, lease out, lend or otherwise dispose of (whether outright, by a sale-and-repurchase or sale-and-leaseback arrangement, or otherwise) all or substantially all of its assets nor of any part of its assets which, either alone or when aggregated with all other disposals required to be taken into account under this Condition 3(c)(i), is substantial in relation to the Group taken as a whole or the disposal of which (either alone or when so aggregated) could have a material adverse effect on either the Issuer or the Group. The following disposals shall not be taken into account under this Condition 3(c)(i):

(1) disposals in the ordinary course of business on an arm's length basis and on normal commercial terms; and

(2) any disposal approved by the Trustee or by the Noteholders by way of an Extraordinary Resolution;

(ii) ensure that there is no material change in the nature of its business, or the business of the Group taken as a whole (whether by a single transaction or a number of related or unrelated transactions, whether at one time or over a period of time and whether by disposal, acquisition or otherwise) provided that, so long as pawnbroking remains the core business of the Group, nothing in this Condition 3(c)(ii) shall prevent the Issuer and/or the Group from entering into or undertaking new business segments or areas which are not reasonably likely to have a material adverse effect on the Issuer; and

(iii) not, unless required by law, without the prior written consent of the Trustee or the prior approval of the Noteholders by way of an Extraordinary Resolution, undertake, permit or effect any re-organisation, amalgamation, reconstruction, take-over, merger or consolidation with any other company or person or any other schemes of compromise or arrangement affecting its present constitution, save where (1) following such event, the Issuer remains as the surviving entity, (2) such event does not involve insolvency, and (3) such event is not reasonably likely to have a material adverse effect on the Issuer.

4. **(I) Interest on Fixed Rate Notes**

(a) Interest Rate and Accrual

Each Fixed Rate Note bears interest on its principal amount outstanding from the Interest Commencement Date (as defined in Condition 4(II)(d)) in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Note is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) and the Agency Agreement to the Relevant Date (as defined in Condition 7).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Note. The amount of interest payable per Calculation Amount for any Fixed Rate Interest Period in respect of any Fixed Rate Note shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency.

In these Conditions, "**Fixed Rate Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(II) Interest on Floating Rate Notes or Variable Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its principal amount outstanding from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period (as defined below) on the face of the Note (the "**Specified Number**

of Months") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 4(II)(c)) in respect of any Variable Rate Note for any Interest Period relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) and the Agency Agreement to the Relevant Date.

(b) Rate of Interest – Floating Rate Notes

(i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SIBOR (in which case such Note will be a SIBOR Note) or Swap Rate (in which case such Note will be a Swap Rate Note) or in any other case (or in the case of Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The "**Spread**" is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Agent Bank on the basis of the following provisions:

(1) in the case of Floating Rate Notes which are SIBOR Notes:

(A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 HRS SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof for the purpose of displaying SIBOR or such other Screen Page (as defined below) as may be provided hereon) and as adjusted by the Spread (if any);

(B) if on any Interest Determination Date, no such rate appears on the Reuters Screen ABSIRFIX01 Page under the column headed "SGD SIBOR" (or such other replacement page thereof or if no rate appears on such other Screen Page as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Agent Bank will request the principal Singapore offices of each of the Reference Banks to provide the Agent Bank with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to four decimal places) of such offered quotations and as adjusted by the Spread (if any), as determined by the Agent Bank;

(C) if on any Interest Determination Date, two but not all the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (B) above on the basis of the quotations of those Reference Banks providing such quotations; and

(D) if on any Interest Determination Date, one only or none of the Reference Banks provides the Agent Bank with such quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any) or if on such Interest Determination Date one only or none of the Reference Banks provides the Agent Bank with such quotation, the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any);

(2) in the case of Floating Rate Notes which are Swap Rate Notes:

(A) the Agent Bank will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period as being the rate which appears on the Reuters Screen ABSFIX01 Page under the caption "SGD SOR rates as of 11:00 hrs London Time" and under the column headed "SGD SOR" (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period and as adjusted by the Spread (if any);

(B) if on any Interest Determination Date, no such rate is quoted on the Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) or the Reuters Screen ABSFIX01 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Agent Bank will determine the Rate of Interest for such Interest Period as being the rate (or, if there is more than one rate which is published, the arithmetic mean of those rates (rounded up, if necessary, to the nearest four decimal places)) for a period equal to the duration of such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Agent Bank may select; and

(C) if on any Interest Determination Date, the Agent Bank is otherwise unable to determine the Rate of Interest under paragraph (b)(ii)(2)(B) above or if no agreement on the relevant authority is reached between the Agent Bank and the Issuer under paragraph (b)(ii)(2)(B) above, the Rate of Interest shall be determined by the Agent Bank to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the rates quoted by the Singapore offices of the Reference Banks or those of them (being at least two in number) to the Agent Bank at or about 11.00 a.m. (Singapore time) on the first business day following such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and as adjusted by the Spread (if any), or if on such day one only or none of the Singapore offices of the Reference Banks provides the Agent Bank with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to four decimal places) of the prime lending rates for Singapore dollars quoted by the Singapore offices of the Reference Banks at or about 11.00 a.m. (Singapore time) on such Interest Determination Date and as adjusted by the Spread (if any); and

(3) in the case of Floating Rate Notes which are not SIBOR Notes or Swap Rate Notes or which are denominated in a currency other than Singapore dollars, the Agent Bank will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date, in respect of such Interest Period as follows:

(A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,

and as adjusted by the Spread (if any);

(B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which the Agent Bank determines to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any); and

(C) if paragraph (b)(ii)(3)(B) applies and the Agent Bank determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.

(iii) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(iv) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(c) Rate of Interest – Variable Rate Notes

(i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:

(1) not earlier than 9.00 a.m. (Singapore time) on the tenth business day nor later than 3.00 p.m. (Singapore time) on the eighth business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

(C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the eighth business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.

(iii) The Issuer has undertaken to the Principal Paying Agent and the Agent Bank that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:

(1) notify or cause the Relevant Dealer to notify the Principal Paying Agent and the Agent Bank of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Principal Paying Agent to the relevant Noteholder at its request.

(iv) For the purposes of sub-paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable

Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The "**Spread**" is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Agent Bank in accordance with the provisions of Condition 4(II)(b)(ii) above (*mutatis mutandis*) and references therein to "**Rate of Interest**" shall mean "**Fall Back Rate**".

(v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(d) Definitions

As used in these Conditions:

"**Agent Bank**" means in relation to any Series of Notes, the person appointed as the agent bank pursuant to the terms of the Agency Agreement as specified in the applicable Pricing Supplement;

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement;

"**business day**" means, in respect of each Note, (i) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating, (ii) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the relevant Paying Agent's specified office and (iii) (if a payment is to be made on that day) (1) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore, (2) (in the case of Notes denominated in Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which the TARGET System is open for settlement in Euros and (3) (in the case of Notes denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

"**Calculation Amount**" means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with Condition 4:

(i) if "Actual/Actual" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period divided by 365 (or, if any portion of that Fixed Rate Interest Period or, as the case may be, Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Fixed Rate Interest Period or, as the case may be, Interest Period falling in a non-leap year divided by 365);

(ii) if "Actual/360" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 360; and

(iii) if "Actual/365 (Fixed)" is specified in the applicable Pricing Supplement, the actual number of days in (in the case of Fixed Rate Notes or Hybrid Notes during the Fixed Rate Period) the Fixed Rate Interest Period or (in the case of Floating Rate Notes, Variable Rate Notes or Hybrid Notes during the Floating Rate Period) the Interest Period in respect of which payment is being made divided by 365;

"**Euro**" means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

"**Interest Determination Date**" means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

"**Primary Source**" means (i) the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Reuters Monitor Money Rates Service ("**Reuters**")) agreed to by the Agent Bank or (ii) the Reference Banks, as the case may be;

"**Reference Banks**" means the institutions specified as such hereon or, if none, three major banks selected by the Agent Bank in the interbank market that is most closely connected with the Benchmark;

"**Relevant Currency**" means the currency in which the Notes are denominated;

"**Relevant Dealer**" means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

"**Relevant Financial Centre**" means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Rate**" means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Bloomberg agency and Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.

(III) Interest on Hybrid Notes

(a) Interest Rate and Accrual

Each Hybrid Note bears interest on its outstanding principal amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) Fixed Rate Period

(i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its outstanding principal amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

(ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.

(iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) and the Agency Agreement to the Relevant Date.

(iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Note during the Fixed Rate Period.

(c) Floating Rate Period

(i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its outstanding principal amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(ii) The period beginning on (and including) the first day of the Floating Rate Period and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "**Interest Period**".

(iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) and the Agency Agreement to the Relevant Date.

(iv) The provisions of Condition 4(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note (determined in accordance with Condition 5(i)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 5(i)).

(V) Calculations

(a) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent Bank will, as soon as practicable after the Relevant Time on each Interest Determination Date determine the Rate of Interest and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable per Calculation Amount in respect of any Floating Rate Note, Variable Rate Note or (where applicable) Hybrid Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Agent Bank shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Agent Bank will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Principal Paying Agent, the Trustee and the Issuer as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Notes, the Agent Bank will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Noteholders in accordance with Condition 15 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 9, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest and Interest Amounts need to be made unless the Trustee requires otherwise.

(c) Determination or Calculation by the Trustee

If the Agent Bank does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee shall do so. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(d) **Agent Bank and Reference Banks**

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be an Agent Bank. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Agent Bank is unable or unwilling to act as such or if the Agent Bank fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place. The Agent Bank may not resign from its duties without a successor having been appointed as aforesaid.

5. Redemption and Purchase

(a) Redemption Upon Maturity

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) Purchase at the Option of the Issuer

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Principal Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of such Notes.

(c) Purchase at the Option of Noteholders

(i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit any Variable Rate Notes to be purchased with the Principal Paying Agent at its specified office together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Principal Paying Agent within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered to the Principal Paying Agent for cancellation. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

(ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit any Notes to be purchased with the Principal Paying Agent at its specified office together with all Coupons relating to such Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Principal Paying Agent within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered to the Principal Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

(d) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Notes.

(e) Redemption at the Option of the Noteholders

(i) If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption. To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Principal Paying Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from the Principal Paying Agent or the Issuer (as applicable) within the Noteholders' Redemption Option Period shown on the face hereof. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(ii) If, for any reason, a Change of Shareholding Event (as defined below) occurs, the Issuer will within seven days of such occurrence give notice to the Noteholders of the occurrence of such event (the "**Notice**") and shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount, together with interest accrued to (but excluding) the date fixed for redemption, on the date falling 60 days from the date of the Notice (or if such date is not a business day, on the next day which is a business day). To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Principal Paying Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Principal Paying Agent or the Issuer (as applicable), no later than 15 days from the date of the Notice. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

For the purposes of this Condition 5(e)(ii), a "**Change of Shareholding Event**" occurs when Koh Wee Seng, Ko Lee Meng and Koh Lee Hwee cease to have in aggregate an interest (whether direct or deemed) of more than 50 per cent. of the issued share capital of the Issuer.

(f) Redemption for Taxation Reasons

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (as defined in Condition 5(i) below) (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by a duly authorised signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal, tax or any other professional advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

The Trustee shall be entitled to accept such certification as sufficient evidence that the satisfaction of the conditions precedent to the right of the Issuer so to redeem has occurred, in which event it shall be conclusive and binding on the Noteholders.

(g) Redemption upon Cessation or Suspension of Trading of Shares

In the event that (i) the shares of the Issuer cease to be traded on the SGX-ST or (ii) trading in the shares of the Issuer on the SGX-ST is suspended for a continuous period of more than seven market days, the Issuer shall, at the option of the holder of any Note, redeem such Note at its Redemption Amount together with interest accrued to the date fixed for redemption on any date on which interest is due to be paid on such Notes or, if earlier, the date falling 45 days after the Effective Date. The Issuer shall within seven days after the Effective Date, give notice to the Trustee, the Principal Paying Agent and the Noteholders of the occurrence of the event specified in this paragraph (g) (provided that any failure by the Issuer to give such notice shall not prejudice any Noteholder of such option). To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Principal Paying Agent at its specified office, together with an Exercise Notice in the form obtainable from the Principal Paying Agent or the Issuer (as applicable), not later than 21 days after the Effective Date. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(1) "**Effective Date**" means (where the shares of the Issuer cease to be traded on the SGX-ST) the date of cessation of trading or (where trading in the shares of the Issuer on the SGX-ST is suspended for a continuous period of more than seven market days) the business day immediately following the expiry of such continuous period of seven market days; and

(2) "**market day**" means a day on which the SGX-ST is open for securities trading.

(h) Purchases

The Issuer or any of its related corporations may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer or any of its related corporations may be surrendered by the purchaser through the Issuer to the Principal Paying Agent for cancellation or may at the option of the Issuer or relevant related corporation be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(i) Early Redemption of Zero Coupon Notes

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown on the face of the Note.

(j) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its related corporations may be surrendered for cancellation by surrendering each such Note together with all unmatured Coupons to the Principal Paying Agent at its specified office and, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold.

6. Payments

(a) Principal and Interest

Payments of principal and interest in respect of the Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of the Principal Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the payee in that currency with, a bank in the principal financial centre for that currency.

(b) Payments subject to law etc.

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(c) Appointment of Agents

The Principal Paying Agent and the Non-CDP Paying Agent and their respective specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent or the Non-CDP Paying Agent and to appoint additional or other Paying Agents, provided that it will at all times maintain a principal paying agent having a specified office in Singapore and (in the case of Notes which are not cleared through the Depository) a non-CDP paying agent.

Notice of any such change or any change of the specified office of the Principal Paying Agent or the Non-CDP Paying Agent will promptly be given to the Noteholders in accordance with Condition 15.

The Agency Agreement may be amended by the Issuer, the Paying Agents and the Trustee, without the consent of any Noteholder, for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer, the Paying Agents and the Trustee may mutually deem necessary or desirable and which does not, in the opinion of the Issuer, the Paying Agents and the Trustee, adversely affect the interests of the Noteholders.

(d) Unmatured Coupons

(i) Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmatured Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Where any Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmatured Coupons relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note.

(e) Non-business days

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(f) Default Interest

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Principal Paying Agent to be equal to two per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Principal Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction shown on the face of the Note and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

7. Taxation

All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore);

(b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days; or

(c) by, or on behalf of, a holder who would be able to lawfully avoid (but has not so avoided) such deduction or withholding by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 15 that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**interest**" and/or "**Early Redemption Amounts**" shall be deemed to include any additional amounts which may be payable under these Conditions.

8. Prescription

The Notes and Coupons shall become void unless presented for payment within five years from the appropriate Relevant Date for payment.

9. Events of Default

If any of the following events ("**Events of Default**") occurs, the Trustee at its discretion may, and if so requested by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, give notice in writing to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

(a) the Issuer does not pay any principal payable by it under any of the Notes when due or does not pay interest or any other sum (other than principal) payable by it under any of the Notes within three Business Days of its due date, in each case, at the place at and in the currency in which it is expressed to be payable;

(b) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraph (a)) under any of the Issue Documents (as defined in the Trust Deed) or any of the Notes and, if that default is capable of remedy, it is not remedied within 21 days of the Trustee giving written notice to the Issuer of the failure to perform or comply and requiring the same to be remedied;

(c) any representation, warranty or statement by the Issuer in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and, if the event resulting in such non-compliance or incorrect representation, warranty or statement is capable of remedy, it is not remedied within 21 days of the giving by the Trustee to the Issuer of a written notice of such non-compliance or incorrect representation, warranty or statement and requiring the circumstances resulting in such non-compliance or incorrectness to be remedied;

(d) (i) any other indebtedness of the Issuer or any of its subsidiaries in respect of borrowed moneys is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or is not paid when due or, as a result of any actual or potential default, event of default or the like (however described) any facility relating to any such indebtedness is or is declared to be or is capable of being cancelled or terminated before its normal expiry date; or

(ii) the Issuer or any of its subsidiaries fails to pay when properly called upon to do so any guarantee of indebtedness for borrowed moneys,

provided that no Event of Default will occur under paragraph (d)(i) or (d)(ii) above if the aggregate amount of the indebtedness for borrowed moneys or guarantee of indebtedness for borrowed moneys falling within paragraphs (d)(i) and (d)(ii) above is less than S$5,000,000 (or its equivalent in any other currency or currencies);

(e) the Issuer or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the Issuer or any of its Principal Subsidiaries;

(f) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any material part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 30 days;

(g) any security on or over the whole or any material part of the property or assets of the Issuer or any of its Principal Subsidiaries becomes enforceable or any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person);

(h) any step is taken by any person with a view to the winding-up or dissolution of the Issuer or any of its Principal Subsidiaries (except (i) for the purposes of a reconstruction, amalgamation, merger, consolidation or reorganisation on terms approved by an Extraordinary Resolution of the Noteholders or (ii) in the case of a Principal Subsidiary only, where such winding-up or dissolution does not involve insolvency and results in such Principal Subsidiary being able to pay all of its creditors in full) or for the appointment of a liquidator (including a provisional liquidator), receiver, manager, judicial manager, trustee, administrator, agent or similar officer of the Issuer or any of its Principal Subsidiaries or over the whole or any material part of the property or assets of the Issuer or any of its Principal Subsidiaries;

(i) (i) the Issuer ceases or threatens to cease to carry on all or any material part of its business or (ii) any of the Principal Subsidiaries ceases or threatens to cease to carry on all or any part of its business and such event is likely to have a material adverse effect on the Issuer;

(j) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or any material part of the assets of the Issuer or any of its Principal Subsidiaries;

(k) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 14.3 of the Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);

(l) it is or will become unlawful for the Issuer to perform or comply with any one or more of its payment or other material obligations under any of the Issue Documents or any of the Notes;

(m) any of the Issue Documents or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;

(n) any litigation, arbitration or administrative proceeding against the Issuer or any of its Principal Subsidiaries is current or pending (other than (i) those of a frivolous or vexatious nature or (ii) those being contested in good faith by appropriate proceedings) (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under any of the Issue Documents or any of the Notes or (ii) which has or could have a material adverse effect on the Issuer;

(o) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (e), (f), (g), (h) or (j); and

(p) the Issuer or any of its Principal Subsidiaries is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore.

In these Conditions:

(1) "**Principal Subsidiaries**" means any subsidiary of the Issuer:

(A) whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 10 per cent. of the total assets of the Group as shown by such audited consolidated accounts; or

(B) whose net profits before tax, as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, is at least 10 per cent. of the consolidated net profits before tax of the Group as shown by such audited consolidated accounts,

provided that if any such subsidiary (the "**transferor**") shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another subsidiary or the Issuer (the "**transferee**") then:

(aa) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and

(bb) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary.

Any subsidiary which becomes a Principal Subsidiary by virtue of paragraph (aa) above or which remains or becomes a Principal Subsidiary by virtue of paragraph (bb) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the total assets or (as the case may be) net profits before tax of the relevant subsidiary as shown by the accounts of such subsidiary (consolidated in the case of a subsidiary which itself has subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 10 per cent. of the total assets or (as the case may be) net profits before tax of the Group, as shown by such audited consolidated accounts. A report by the Auditors (as defined in the Trust Deed), who shall also be responsible for producing any pro-forma accounts required for the above purposes, that in their opinion a subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive; and

(2) "**subsidiary**" has the meaning ascribed to it in Section 5 of the Companies Act, Chapter 50 of Singapore.

10. Enforcement of Rights

At any time after an Event of Default has occurred or after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, and/or to enforce the provisions of the Issue Documents but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding not less than 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

11. Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee and the Issuer may at any time, and the Trustee upon the written request by Noteholders holding at least one-tenth in principal amount of the Notes of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Noteholders of that Series. A meeting shall, subject to the Conditions and without prejudice to any powers conferred on other persons by the Trust Deed, have power by Reserved Matter Extraordinary Resolution (a) to sanction any proposal by the Issuer for the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity, (b) to amend or modify any provision of the Trust Deed or any related provision affecting the ranking of the Notes in the Conditions or any other Issue Documents in a manner which adversely affects the Noteholders, (c) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Issue Documents, the Notes or the Coupons, (d) to amend the dates of maturity or redemption of the Notes or any date for payment of principal, interest or Interest Amounts on the Notes, (e) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes or the interest (including default interest under Condition 6(f), if applicable), (f) to reduce the rate or rates of interest (including default interest under Condition 6(f), if applicable) in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any amount of interest in respect of the Notes, (g) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the calculation of the Amortised Face Amount, (h) to vary the currency or currencies of payment or denomination of the Notes, (i) to impair the right to institute proceedings to enforce repayment after the Notes have become due and payable, (j) to waive an Event of Default, (k) to reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose holders is necessary for waiver of compliance with certain provisions of the Trust Deed or for waiver of certain defaults under the Conditions or any of the Issue Documents, (l) to take any steps that as specified hereon may only be taken following approval by a Reserved Matter Extraordinary Resolution, (m) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass any Extraordinary Resolution and/or to sign a resolution in writing, and (n) to amend the definition of a Reserved Matter and/or paragraphs 2 and 2A of Schedule 4 to the Trust Deed. The quorum for any meeting convened to consider any Extraordinary Resolution shall be two or more persons holding or representing not less than 66⅔ per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing not less than 25 per cent. in principal amount of Notes for the time being outstanding. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders.

For the purposes of these Conditions:

(i) "**Extraordinary Resolution**" means, depending on the context, a Normal Extraordinary Resolution or a Reserved Matter Extraordinary Resolution;

(ii) "**Normal Extraordinary Resolution**" means a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Trust Deed by a majority of at least 66⅔ per cent. of the votes cast; and

(iii) "**Reserved Matter Extraordinary Resolution**" means a resolution passed in respect of a Reserved Matter (as defined in the Trust Deed) at a meeting of Noteholders duly convened and held in accordance with the Trust Deed by a majority of at least 75 per cent. of the votes cast.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or any of the other Issue Documents which in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear, Clearstream, Luxembourg, the Depository and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed) to the Trust Deed and any of the other Issue Documents, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any of the other Issue Documents, which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise agrees in writing, such modification shall be notified to the Noteholders as soon as practicable and if the Trustee shall so require, such waiver or authorisation shall be notified to the Noteholders as soon as practicable.

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modification, authorisation or waiver of any breach or proposed breach of any of the Conditions or any of the provisions of the Trust Deed), the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to any interest arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer or the Trustee, any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders except to the extent provided for in Condition 7.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

12. Replacement of Notes and Coupons

If a Note or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Principal Paying Agent, or at the specified office of such other Principal Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 15, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note or Coupon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note or Coupon) and otherwise as the Issuer may require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

14. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee or any corporation related to it to enter into business transactions with the Issuer or any of its subsidiaries without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

15. Notices

Notices to the holders will be valid if published in a daily newspaper of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in *The Business Times*. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above.

In substitution of the said publication of notices mentioned in the foregoing paragraph, in the case where the Issuer is listed on the SGX-ST or where the Notes are listed on the SGX-ST, notices to the holders of such Notes shall also be valid if made by way of an announcement on the SGX-ST. Any such notice shall be deemed to have been given to the holders on the date on which the announcement was published on the SGX-ST.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders in accordance with this Condition 15.

Until such time as any Definitive Notes are issued, there may, so long as the Global Note(s) is or are held in its or their entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the Depository, be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of the Depository) the Depository for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of such exchange so require, notice will in any event be published in such newspapers in accordance with the first paragraph. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Principal Paying Agent or Non-CDP Paying Agent. Whilst the Notes are represented by a Global Note, such notice may be given by any Noteholder to the Principal Paying Agent or, as the case may be, the Non-CDP Paying Agent through Euroclear, Clearstream, Luxembourg and/or the Depository in such manner as the Principal Paying Agent or, as the case may be, the Non-CDP Paying Agent and Euroclear, Clearstream, Luxembourg and/or the Depository may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

16. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

17. Governing Law

The Trust Deed, the Notes and the Coupons are governed by, and shall be construed in accordance with, the laws of Singapore.

18. Jurisdiction

The courts of Singapore are to have jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Notes or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes or the Coupons may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

Principal Paying Agent
Deutsche Bank AG, Singapore Branch
One Raffles Quay
#16-00 South Tower
Singapore 048583

Non-CDP Paying Agent
Deutsche Bank AG, Hong Kong Branch
Level 52, International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

FORM OF PRICING SUPPLEMENT

Pricing Supplement

[LOGO, if document is printed]

Aspial Lifestyle Limited
(formerly known as Maxi-Cash Financial Services Corporation Ltd.)
(UEN/Company Registration No. 200806968Z)
(Incorporated with limited liability in Singapore)

S$300,000,000
Multicurrency Medium Term Note Programme

SERIES NO: [●]
TRANCHE NO: [●]

[Brief Description and Amount of Notes]
Issue Price: [●] per cent.

[Publicity Name(s) of Dealer(s)]

[Principal/Non-CDP]* Paying Agent
[Deutsche Bank AG, Singapore Branch/Deutsche Bank AG, Hong Kong Branch]*
One Raffles Quay #17-00 South Tower Singapore 048583/
Level 52, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong]*

The date of this Pricing Supplement is [●].

* Delete as appropriate

This Pricing Supplement relates to the Tranche of Notes referred to above.

This Pricing Supplement, under which the Notes described herein (the "**Notes**") are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated 5 April 2017 (as revised, supplemented, amended, updated or replaced from time to time, the "**Information Memorandum**") issued in relation to the S$300,000,000 Multicurrency Medium Term Note Programme of Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) (the "**Issuer**"). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Information Memorandum, contains all information that is material in the context of the Programme and the issue and offering of the Notes.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

Aspial Lifestyle Limited
(formerly known as Maxi-Cash Financial Services Corporation Ltd.)

Signed: ________________________________

Director

The terms of the Notes and additional provisions relating to their issue are as follows:

[Include whichever of the following apply]

1.	Series No.:	[●]
2.	Tranche No.:	[●]
3.	Currency:	[●]
4.	Principal Amount of Series:	[●]
5.	Principal Amount of Tranche:	[●]
6.	Denomination Amount:	[●]
7.	Calculation Amount (if different from Denomination Amount):	[●]
8.	Issue Date:	[●]
9.	Redemption Amount (including early redemption):	[Denomination Amount/[others]] [Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions]
10.	Interest Basis:	[Fixed Rate/Floating Rate/Variable Rate/ Hybrid/Zero Coupon]
11.	Interest Commencement Date:	[●]
12.	**Fixed Rate Note**	
	(a) Maturity Date:	[●]/[Interest Payment Date falling on or nearest to [specify month]]
	(b) Day Count Fraction:	[●] [If not provided in the Conditions, to insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
	(c) Interest Payment Date(s):	[●]
	(d) Initial Broken Amount:	[●]
	(e) Final Broken Amount:	[●]
	(f) Interest Rate:	[●] per cent. per annum

13. **Floating Rate Note**

(a)	Redemption Month:	[month and year]
(b)	Interest Determination Date:	[●] business days prior to the first day of each Interest Period
(c)	Day Count Fraction:	[●] [If not provided in the Conditions, to insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
(d)	Specified Number of Months (Interest Period):	[●]
(e)	Specified Interest Payment Dates:	[●]
(f)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
(g)	Benchmark:	[SIBOR, Swap Rate or other benchmark]
(h)	Primary Source:	[Specify relevant screen page or “Reference Banks”]
(i)	Reference Banks:	[Specify three]
(j)	Relevant Time:	[●]
(k)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
(l)	Spread:	[+/-] [●] per cent. per annum
(m)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]

14. **Variable Rate Note**

(a)	Redemption Month:	[month and year]
(b)	Interest Determination Date:	[●] Business Days prior to the first day of each Interest Period
(c)	Day Count Fraction:	[●] [If not provided in the Conditions, to insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
(d)	Specified Number of Months (Interest Period):	[●]
(e)	Specified Interest Payment Dates:	[●]
(f)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
(g)	Benchmark:	[SIBOR, Swap Rate or other benchmark]
(h)	Primary Source:	[Specify relevant screen page or "Reference Banks"]
(i)	Reference Banks:	[Specify three]
(j)	Relevant Time:	[●]
(k)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
(l)	Spread:	[+/-] [●] per cent. per annum

15. **Hybrid Note**

(a)	Fixed Rate Period:	[●]
(b)	Floating Rate Period:	[●]
(c)	Maturity Date:	[●]
(d)	Redemption Month:	[month and year]
(e)	Interest Determination Date:	[●] business days prior to the first day of each Interest Period

(f)	Day Count Fraction:	[●] [If not provided in the Conditions, to insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
(g)	Interest Payment Date(s) (for Fixed Rate Period):	[●]
(h)	Initial Broken Amount:	[●]
(i)	Final Broken Amount:	[●]
(j)	Interest Rate:	[●] per cent. per annum
(k)	Specified Number of Months (Interest Period):	[●]
(l)	Specified Interest Payment Date(s) (for Floating Rate Period):	[●]
(m)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
(n)	Benchmark:	[SIBOR, Swap Rate or other benchmark]
(o)	Primary Source:	[specify relevant screen page or "Reference Banks"]
(p)	Relevant Time:	[●]
(q)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
(r)	Reference Banks:	[specify three]
(s)	Spread:	[+/-] [●] per cent. per annum
(t)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Hybrid Notes during the Floating Rate Period, if different from those set out in the Conditions:	[●]

16.	**Zero Coupon Note**	
	(a) Maturity Date:	[●]
	(b) Amortisation Yield:	[●] per cent. per annum
	(c) Any other formula/basis of determining amount payable:	[●]
	(d) Day Count Fraction:	[●] [If not provided in the Conditions, to insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
	(e) Any amount payable under Condition 7(h) (Default interest on the Notes):	[●]
17.	Issuer's Redemption Option Issuer's Redemption Option Period (Condition 6(d)):	[Yes/No] [Specify maximum and minimum number of days for notice period] [Specify Dates]
18.	Noteholders' Redemption Option Noteholders' Redemption Option Period (Condition 6(e)):	[Yes/No] [Specify maximum and minimum number of days for notice period] [Specify Dates]
19.	Issuer's Purchase Option Issuer's Purchase Option Period (Condition 6(b)):	[Yes/No] [Specify maximum and minimum number of days for notice period] [Specify Dates]
20.	Noteholders' VRN Purchase Option Noteholders' VRN Purchase Option Period (Condition 6(c)(i)):	[Yes/No] [Specify maximum and minimum number of days for notice period] [Specify Dates]
21.	Noteholders' Purchase Option Noteholders' Purchase Option Period (Condition 6(c)(ii)):	[Yes/No] [Specify maximum and minimum number of days for notice period] [Specify Dates]
22.	Redemption for Taxation Reasons: (Condition 6(f))	[Yes/No] [on [insert other dates of redemption not on interest payment dates]]
23.	Form of Notes:	[Bearer/Registered] [Temporary Global Note exchangeable for Definitive Notes/Temporary Global Note exchangeable for Permanent Global Note/Permanent Global Note/ Global Certificate]
24.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. If yes, give details.]
25.	Applicable TEFRA exemption:	[C Rules/D Rules/Not applicable]

26.	Listing:	[●]
27.	ISIN Code:	[●]
28.	Common Code:	[●]
29.	Clearing System(s):	[Not applicable/Euroclear/Clearstream, Luxembourg/The Central Depository (Pte) Limited] [other clearing information]
30.	Depository:	[Common depositary for Euroclear/ Clearstream, Luxembourg/The Central Depository (Pte) Limited/others]
31.	Delivery:	Delivery [against/free of] payment
32.	Method of issue of Notes:	[Individual Dealer/Syndicated Issue]
33.	The following Dealer(s) [is/are] subscribing for the Notes:	[insert legal name(s) of Dealer(s)]
34.	The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of [●] producing a sum of (for Notes not denominated in Singapore dollars):	S$[●]
35.	Other terms:	[●]
36.	Private banking rebate	[Applicable/Not Applicable/State rebate]

Details of any additions or variations to the terms and conditions of the Notes as set out in the Information Memorandum:

Any additions or variations to the selling restrictions:

THE ISSUER

1. OVERVIEW

The Issuer and its subsidiaries are in the financial services and retail business. The Issuer is an investment holding company that operates through its subsidiaries, and the Group is organised into three main operating business segments, namely:

(a) retail;

(b) pawnbroking; and

(c) secured lending.

The Issuer was incorporated in Singapore on 10 April 2008 under the Companies Act under the name of "World Class Financial Services Pte. Ltd.". The Issuer subsequently changed its name to "Maxi-Cash Financial Services Corporation Pte. Ltd." on 3 May 2011. On 13 April 2012, the Issuer was converted into a public company limited by shares and changed its name to "Maxi-Cash Financial Services Corporation Ltd.". On 22 June 2012, the Issuer was listed on the Catalist Board of the SGX-ST as the first and only publicly listed pawnbroker in Singapore at that time.

In connection with the acquisition of the retail business from Aspial in September 2022, the Issuer changed its name from "Maxi-Cash Financial Services Corporation Ltd." to "Aspial Lifestyle Limited" with effect from 3 October 2022.

As at the Latest Practicable Date, the Group has a wide network of more than 100 stores in strategic locations across Singapore, as well as in Malaysia, Australia, China, Hong Kong, Germany and Switzerland. These stores are engaged in retail and/or pawnbroking under the Group's "Lee Hwa", "Goldheart", "Maxi-Cash", "Dr Pajak" and "Niessing" brands.

As at the Latest Practicable Date, the Issuer has a market capitalisation of approximately S$199,579,840.

The Group believes that as a leader and innovator in the retail and pawnbroking industries, its modern, professional and customer-centric store concept has been well-received by consumers in Singapore. The Group's revenue increased by 47.8% from approximately S$319.0 million in FY2022 to approximately S$471.6 million in FY2023.

1.1 Retail

The Group offers a wide selection of new jewellery both in its jewellery boutique outlets and on its online e-boutique stores under the "Lee Hwa", "Goldheart", "Maxi-Cash" and "Niessing" brands. Additionally, the Group retails pre-owned jewellery and branded merchandise in the majority of its outlets that operate under the "Maxi-Cash" brand. The Group's customers are walk-in individuals as well as traders and dealers of jewellery, precious metals and watches.

Since 2022, the Group has embarked on a re-organisation to consolidate the retail operations of its immediate holding company Aspial under the management of the Issuer.

On 30 September 2022, the Issuer acquired all of the issued ordinary shares (the "**Sale Shares**") in the capital of Aspial Lifestyle Jewellery Group Pte. Ltd., BU2 Services Pte. Ltd. and Gold Purple Pte. Ltd. (such entities, together with their subsidiaries, being collectively referred to as the "**Target Group**") from Aspial. The acquisition was part of an overarching re-organisation effort by Aspial to streamline investments, businesses, operations and corporate structure, and to leverage on the jewellery retailing business of the Target Group to increase the Group's product offerings in the market and transform the Group's retail business into a consumer lifestyle powerhouse. With the acquisition, the Group's range of brands was expanded to include the "Lee Hwa" and "Goldheart" brands. The re-organisation also sought to minimise any potential and/or existing conflicts of interest between the Group and the Target Group as any future transactions entered between the two will no longer be considered interested person transactions. Accordingly, this would provide the Group greater control and flexibility to mobilise and optimise resources across its businesses to facilitate greater business collaborations and reduce expenses associated with the adherence to regulatory and compliance requirements related to interested person transactions.

In addition, on 8 July 2024, as part of the above-mentioned re-organisation, the Issuer completed the acquisition from Aspial International Pte. Ltd. of all of the issued ordinary shares in the capital of Niessing Group Pte. Ltd. ("**Niessing Group**"), which together with its subsidiaries and associated companies, are engaged in the business of the manufacture, sale and distribution of jewellery under the "Niessing" brand. Pursuant to the acquisition, the Group has significantly expanded its geographic outreach and is now able to gain exposure and tap on the experience and expertise of Niessing Group's international mono-brand retail network located in Germany, Switzerland, Japan, China, Malaysia, Hong Kong and Australia, thereby enhancing the Group's global presence.

The Group is currently exempted under the Secondhand Goods Dealers (Exemption) Order from having to obtain any licences under the Secondhand Goods Dealers Act in Singapore.

The Group is also registered under the PSPM Act in Singapore. Under the PSPM Act, regulated dealers of precious stones, precious metals or precious products are required to register with the Registrar of Regulated Dealers in order to carry on a business of dealing in precious stones, precious metals or precious products, unless they are excluded or exempted.

Additionally, Niessing (Hong Kong) Limited is registered under the Dealers in Precious Metals and Stones Registration Regime of Hong Kong (implemented with effect from 1 April 2023).

1.2 Pawnbroking

Pawnbroking is essentially a form of collateralised micro-loan and is an activity regulated by and licensed under the Pawnbrokers Act 2015 in Singapore, and under the Pawnbrokers Act 1972 in Malaysia.

As licensed pawnbrokers, the Group's business is an alternative to, and complements, Singapore's banking system and provides its customers with convenient and quick access to short-term finance with a redemption period of six months (for each pledge transaction which may be renewed).

The Group's customers are walk-in individuals who pledge personal articles with its pawnshops. As collateral for the loans granted, the Group typically accepts jewellery such as gold and diamonds, as well as branded bags and timepieces.

In Singapore, the rate of interest that can be charged on the loans is regulated by the Pawnbrokers Act 2015. The Pawnbrokers Act 2015 also regulates the redemption and forfeiture of pledges. Each personal article pledged is redeemable at any time during the redemption period, which is prescribed under the Pawnbrokers Act 2015 to be six months after the date on which the pledge was made or such longer period as may be agreed between the pawnbroker and the pawner. The redemption period may be extended for one or more times by agreement between the pawnbroker and the pawner, even after such period has expired. Unredeemed pledged articles may be forfeited by pawnbrokers, subject to the pawnbroker serving a notice of forfeiture stating, *inter alia*, that the pledge will be forfeited one month after the date on which the notice is served and that the pledge may be redeemed at any time before it is forfeited. Upon a pledge being forfeited, the pledge becomes the absolute property of the pawnbroker.

In Singapore, the Group conducts its pawnbroking business under the “Maxi-Cash” brand.

In Malaysia, the Group conducts its pawnbroking business under the “Dr. Pajak” brand. Pursuant to an acquisition in 2023, the Group now holds a 65% stake of the issued share capital of Maxion Holdings Sdn. Bhd. (“**Maxion**”) which features “Dr. Pajak” (a brand which offers the first drive-through pawnbroking concept in Malaysia). At the point of acquisition, Maxion owned three pawnshops operating in Malaysia, and the acquisition was intended to strengthen the Group’s existing presence in Malaysia while providing further opportunities for the Group to grow by enhancing its local network and customer base.

1.3 Secured lending

The Group provides secured lending overseas to foreign corporations through the Issuer’s wholly-owned subsidiary, Maxi-Cash Capital Management Pte. Ltd. (“**MCM**”). The Group currently has loans that are secured by land or property-related assets. The terms of each loan to be offered, such as the amount, tenor, interest rate and period of repayment, are determined by the Group on a case-by-case basis taking into account factors such as the value of the collateral, the level of pre-sales, the loan-to-value ratio and the borrower’s credit-worthiness.

In February 2024, the Group’s secured lending business underwent a transformative phase with the increase in its stake in BigFundr from 15% to 70%. On 22 February 2024, MCM entered into a sale and purchase agreement to acquire ordinary shares representing 55% of the equity interest in the share capital of BigFundr, a company incorporated in Singapore which holds a CMS Licence issued by the MAS and which offers retail investors in Singapore access to real estate-backed loans through its investment platform. Following the completion of the acquisition, BigFundr became a subsidiary of MCM which now holds 70% of the equity interest in the share capital of BigFundr.

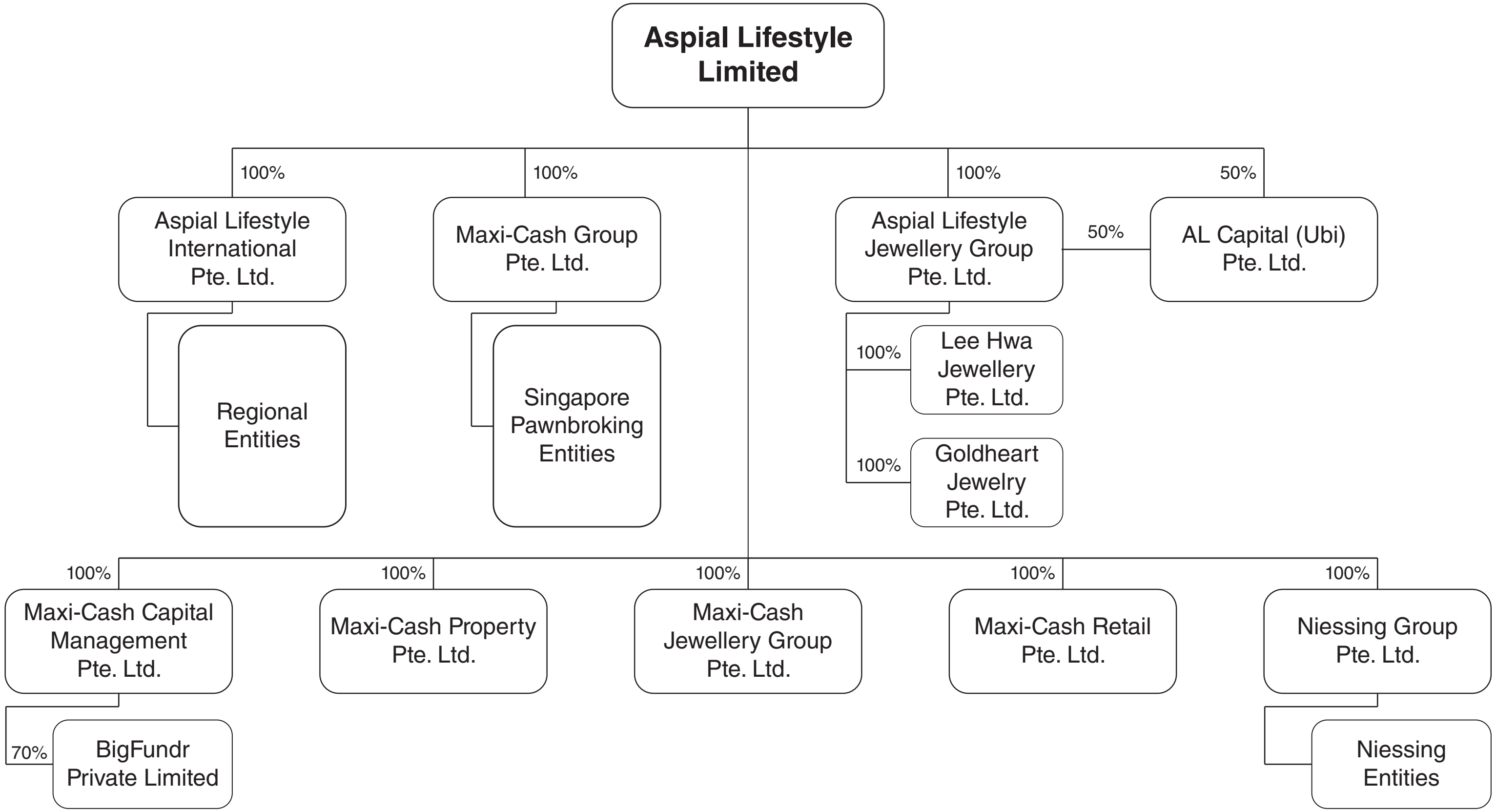
A breakdown of the Group's revenue and profit before tax by business segment for FY2021, FY2022 and FY2023 is set out below[1]:

	FY2021 (Audited) (S$'000)	**FY2022 (Audited) (S$'000)**	**FY2023 (Audited) (S$'000)**
Group			
Revenue	225,703	319,008	471,581
Profit before tax	17,583	21,804	23,699
Retail			
Revenue	177,578	265,360	407,465
Profit before tax	8,755	16,486	13,847
Pawnbroking			
Revenue	46,043	51,526	63,567
Profit before tax	7,978	8,966	13,396
Secured lending			
Revenue	2,082	2,122	549
Profit/(loss) before tax	845	380	(283)

[1] Please refer to the section "Selected Consolidated Financial Information" in this Information Memorandum for further details.

2. CORPORATE STRUCTURE

The corporate structure of the Issuer and its key subsidiaries is as follows:



3. BRANDING AND MARKETING

The objective of the Group's branding and marketing department is to develop strategies to enhance the public image of the Group's operations and improve customers' awareness of the Group's services.

Potential customers are served by the Group through its network of stores in Singapore, Malaysia, Australia, China, Hong Kong, Germany and Switzerland.

The Group advertises its services through a number of platforms in Singapore and Malaysia, including traditional media (such as print, television and radio) and the distribution of its brochures and flyers. The Group has also sought new ways of engaging its customers through the use of digital and social media platforms, such as Facebook (a popular social media and social networking service), Instagram (a popular photo- and video-sharing social networking platform), Tik-Tok (a video-sharing social networking platform) and YouTube (a popular video-sharing website).

In respect of its pawnbroking business, the Group seeks to position itself as an attractive alternative source of financing by providing its services to customers via a modern, professional and customer-centric store concept. The aim is to provide customers with a "bank-like" pawning experience where trust, transparency and reliability are the hallmarks of its services. The Group's store concept also creates a conducive environment that provides privacy to its pawnbroking customers.

The Group's "new generation" stores specially cater to the modern customer segment, where customers are able to browse a wide selection of jewellery and branded merchandise. The Group's stores have also adopted a jewellery retail concept with window display facades and glass showcases to enhance the shopping experience of its customers.

Since 2021, the Group has launched several multi-channel advertising campaigns to promote new jewellery retailing. The Group engages local celebrities as its campaign ambassadors with a series of advertisements through television, radio, bus-wrap, bus stop and digital platforms such as YouTube and Instagram. This has allowed the Group to reach out to a wider pool of customers and provide them with competitive retail options by showcasing the wide range of new jewellery selection.

In 2023, the Group tapped on artificial intelligence ("**AI**") to create an AI avatar to enhance its brand communication efforts. Hailey K, a virtual personality who advocates for the sustainable consumption of preloved items as well as a jewellery aficionado, aims to connect the Group with the growing "Millennial" and "Generation Z" communities in the digital space.

4. BUSINESS STRATEGIES

4.1 Digitalising and innovating the business

The Group believes that digitalisation and innovation are critical towards keeping its customers engaged with the Group and helping the business in terms of productivity and efficiency.

For the modern customer, the expectation of seamless connectivity and cashless transactions has been driven by recent macro factors. The Group has been able to develop suitable solutions that allow for greater convenience to customers when transacting with the Group, whether at the Group's stores or via the Group's mobile application. As modern customers are increasingly savvy with utilising technology and expect to be able to transact anywhere and at any time, the Group intends to continue to utilise and build on its mobile application, the "Maxi-Cash App", which has been successfully adopted by its customers since its introduction in 2018. The Group intends to continually evolve the "Maxi-Cash App" to enhance connectivity with customers – for example, by introducing new products and services through push notifications, and providing new loan and payment channels for customers to self-manage their financing requirements. The Group will continue to utilise new technology and digital solutions to allow customers to transact with the Group with ease and convenience.

Besides the customer-facing solutions, the Group has progressively expanded, and continues to expand, on the possibilities of digitalising its business to streamline its processes as well as to ensure that its back office is able to keep up with changes. Adoption of solutions such as making use of radio-frequency identification (RFID) technology and moving to paperless processes has allowed the Group to gain efficiencies and improve productivity, while upgrading its workforce.

4.2 Strengthening its retail offerings and building strong brand equity

The Group believes that in order to keep up with rapid changes in market trends and consumer preferences, it needs to offer a one-stop lifestyle retail destination that caters to the lifestyle needs of its customers, be it jewellery, watches or luxury bags. This is achieved through the Group's regular introduction of new ranges of retail products, offering unique store experiences and captivating its customers using effective visual merchandising.

Part of the Group's strategy is to build strong brand equity through effective marketing campaigns. The Group's marketing function is performed by a team of experienced and savvy marketing personnel who are well versed in brand-building, creative advertising and promotional campaigns. The Group intends to continue building on its branding and marketing strategies, which include brand management and positioning, advertising and promotional activities to highlight its modern, professional and customer-centric store concept to attract the modern customer. These marketing efforts increase the equity value and positive perception of the Group's brands and strengthen the relationship between consumers and its brands. Further, the Group strives to make the shopping experience at its retail stores a memorable one where customers are attended to by staff offering sincere, helpful and knowledgeable service and at the same time, are introduced to a wide variety of quality products. The Group adopts a multi-brand portfolio strategy in its new jewellery retail business to ensure that it is represented in various market segments. In a market segmented by customer needs and average transaction price, each of the brands target a different market segment: the Niessing brand targets the "premium luxury" segment, the Lee Hwa brand, the "accessible luxury" segment and Goldheart, the "mid-market" segment.

4.3 Expansion of business operations

The Group believes that a key factor in the future growth of its business is continued consumer recognition and loyalty to its stable of brands. The Group seeks to leverage on its brand, modern concept and digitalisation to further expand its international network.

The Group plans to develop and expand its business operations by increasing its number of stores, especially in locations with room for higher market penetration by the Group. In order to optimise its expansion, the Group may assess potential markets by analysing demographic, competitive and regulatory factors, site selection and growth potential. The Group's strategy for expansion includes providing greater accessibility to its customers as well as leveraging on its expertise and presence in the retail and financial service industry. In line with this strategy, the Group has increased the number of its shop locations from 11 pawnshops in Singapore in 2009 (when it first commenced business) to more than 100 pawnshops and retail stores globally across its retail and pawnbroking businesses as at the Latest Practicable Date.

In addition to growing organically, the Group may consider expanding its business through investments, acquisitions, joint ventures or strategic alliances with parties who offer synergistic values with the Group's existing business. Through such investments, acquisitions, joint ventures or strategic alliances, the Group will look to strengthen its market position and expand its network.

The Group's acquisition of the 65% stake of the issued share capital of Maxion in 2023 provides further opportunities for the Group to expand its pawnbroking business in Malaysia by enhancing its local network and customer base.

Additionally, the acquisition of Niessing Group, which is engaged in the business of the manufacture, sale and distribution of jewellery under the "Niessing" brand which are being distributed in Germany, Switzerland, Singapore, Australia, Hong Kong, China, Malaysia and Japan, has enabled the Group to significantly expand its geographic outreach and position itself as an international brand.

4.4 Evolving into a digital financial services company

The Group also looks to strengthen its digital solutions, as well as expand into new businesses complementary to its existing business, through investments, acquisitions, joint ventures or strategic alliances with parties who offer synergistic values with the Group's existing business.

As part of this strategy, the Group has evolved its secured lending business with its increased stake in BigFundr, allowing the Group to leverage on innovative offerings to retail customers in the digital financial services space. BigFundr's digital online investment platform offers retail investors access to real estate-backed loans with returns of up to 6.5% per annum, with investments starting from as low as S$1,000, democratising access to opportunities traditionally reserved for institutional or high-net worth investors.

5. COMPETITIVE STRENGTHS

The Group's competitive strengths are as follows:

- Leader and innovator in the pawnbroking and jewellery industries in Singapore;
- A developed digital ecosystem that is constantly evolving, and convenient and quick access to short-term financing;
- Well-established brand names in the industry with international network;
- Synergies between the retail, pawnbroking and secured lending businesses;
- Skilled and qualified workforce, led by an experienced and committed board of directors and management team;
- Well-developed system of risk management; and
- Vertically-integrated operations in its new jewellery business.

5.1 Leader and innovator in the pawnbroking and jewellery industries in Singapore

The Group has, as at the Latest Practicable Date, a large network of stores in more than 70 strategic locations in Singapore engaged in pawnbroking and retail.

The Group's pawnbroking stores are predominantly strategically and conveniently located near amenities like bus interchanges and MRT stations, while its network of retail stores in Singapore covers most of the major shopping malls. Having a chain of pawnbroking and jewellery retail stores in Singapore allows the Group to generate significant cost savings via economies of scale, through the sharing of operational costs incurred on, for instance, management of shops, information technology and human resources. Additionally, it also allows the Group to obtain competitive rates and shorten the time taken to market new products in relation to its jewellery business.

The Group has been providing financial services in Singapore for more than 15 years since it first commenced its operations in February 2009, and is part of Aspial Group which has more than 52 years of retailing experience. As a result of its dedication, understanding and experience in serving the needs of its customers, the Group's business has grown in scale, as evident from the growth of its revenue by 47.8% from approximately S$319.0 million in FY2022 to approximately S$471.6 million in FY2023.

In tandem with its efforts to innovate the pawnbroking industry, the Group has strived to provide its customers with a modern, professional and "bank-like" pawning experience. For example, the Group had in April 2013 launched its island-wide renewal service which allows its customers to renew their pawn tickets and pay interest at any of the Group's stores island-wide instead of returning to the original store where the pledge was pawned.

As part of its efforts to innovate its jewellery business, the Group strives to provide an enhanced retail experience to the modern segment of customers through its "new generation" stores that adopt a jewellery retail concept, and offer contemporary and original designs and merchandise. The Group has its own in-house design team and the majority of the jewellery sold by the Group under its "Lee Hwa" and "Goldheart" brands are original creations designed by its own designers. Supplementing the in-house designed collections, the Group purchases jewellery collections from overseas (for example, Italy and Hong Kong). These internationally purchased pieces are contemporary designs that have been meticulously selected so as to provide customers with the widest and latest choices from the international jewellery market.

The Group's "Niessing" brand also conceives and creates original products at its own design centre in Düsseldorf, Germany, following the Bauhaus design philosophy that focuses on functionality.

5.2 A developed digital ecosystem that is constantly evolving, and convenient and quick access to short-term financing

The Group, through its pawnbroking business, aims to provide short-term secured financing services to its customers in an expeditious manner and in circumstances such as where securing loans from commercial banks and other lending financial institutions may be difficult or require a longer time. The Group thus complements the role played by commercial banks and other lending financial institutions by providing speedy, convenient and efficient services to customers who require loans on short notice. The Group normally provides financing as long as the collateral provided by its customers meets its loan application requirements.

The Group has a wide network of stores in strategic and convenient locations in Singapore, including locations near amenities like bus interchanges and MRT stations. This large network facilitates customer outreach, thereby providing customers with convenient access to the Group's financing services. As its staff possess the relevant knowledge to appraise pledged articles and disburse loans promptly, the Group is in a position to ensure that its services are provided expeditiously.

Beyond physical stores, the Group strongly advocates digitalisation as a critical and core aspect of business that will allow customers to be able to conveniently and effectively interact with the Group for their needs. Since 2017, the Group has progressively launched three new online services that offer an omni-channel approach and a seamless digital experience to both its business and its customers. The first of these services is iPAYMENT, a significant service innovation in the pawnbroking industry. The service provides customers with a safe, fast and convenient mode of payment with 24-hour access from any location in the world. In addition, the Group's eSHOP platform offers an extensive range of quality accessories curated by an experienced team of watch, jewellery and leather specialists. Lastly, the online E-Valuation service provides a platform for customers to submit their items for appraisal without having to bring their valuables into the Group's physical stores. The intuitive user interface allows customers to save time and effort, thus providing faster and better service quality.

Another significant initiative that the Group embarked on was the launch of iKiosk, the first automated interest payment machine in Singapore, in one of its stores in 2017. The service is part of the Group's efforts to innovate through new technologies and cater to different customer segments. In just three easy steps, customers can make monthly interest payments without having to queue at the counter, thus providing fast and efficient services. Since its launch, the iKiosk has been positively received by the Group's customers. The Group has since evolved this into a "Self Kiosk" which is provided through a 15-inch tablet instead of an iKiosk machine.

In line with the Group's aim to continuously innovate and digitalise, it launched the "Maxi-Cash App" in 2018 as a platform where customers can easily and conveniently access the services provided by the Group. The first step was moving the iPAYMENT from web-based payments into the "Maxi-Cash App". Subsequently, in 2019, the online instalment payment function became available, allowing the Group's retail customers to pay down their loan without the need to physically go to the outlet for payment. In October 2020, the "Maxi-Cash App" went through a face-lift which combined all existing services, both pawnbroking and retail services, under a single application. As of August 2021, customers can pay interest, pay down their loan, pay instalments, obtain online valuations and even shop online through the "Maxi-Cash App". In addition, to enhance connectivity with customers, new functions will continue to be added to the "Maxi-Cash App" – for example, allowing push notifications to automatically remind customers of their expiring pledges, to share new promotions and to send customers receipts of their payments of interest and loan paydowns. Since 2023, electronic receipts are sent to customers in respect of all payments for interest collection, loan paydowns and redemption of pledges.

With Singapore's adoption rate of cashless payments now being the highest in Southeast Asia and the adoption of electronic payments having accelerated since 2019 due to the Covid-19 pandemic, the Group has leveraged on such trends to digitalise its pawnbroking business – a traditionally cash-heavy industry. The Group has since transitioned from conducting pawn transactions in cash terms for the issue of grants or renewal and redemption of pledges, to providing PayNow payouts to customers when they come for pawning or trading-in services since May 2022. The Group also provides a full suite of PayNow services for both its pawnbroking and retail businesses, demonstrating its commitment to adopt existing and emerging digital payment technologies to position itself as a leader in the digital payment platform space, particularly within the pawnbroking industry where it was ahead of its major competitors in providing such PayNow payouts. Such change is also in tandem with the Singapore government's ongoing push towards a cashless society by not only having a system that accepts cashless payments, but one that performs cashless payouts. In recognition of its efforts, the Group has received the "Best Payments and Collections Solution (Singapore) for the Asset Triple A" award in 2023.

5.3 Well-established brand names in the industry with international network

Since the incorporation of the Issuer, the Group has established a strong track record and reputation under its "Maxi-Cash" brand name. With the acquisition of the Target Group in 2022, Maxion in 2023 and the Niessing Group in 2024, the Group's range of brands has also expanded to include the well-known "Lee Hwa", "Goldheart" and "Niessing" brands, which have strong brand equity and established track records, as part of its retail business, as well as the "Dr. Pajak" brand as part of its pawnbroking business in Malaysia. The "Dr. Pajak" brand is listed in the Malaysia Book of Records for having the first drive-through pawnshop. As a whole, the Group's portfolio of established brands is able to cater to different market segments and a diverse customer mix.

The Group places high priority in building good rapport and relationships with its customers. As a testament to its commitment to fair trading and transparency with its customers, the Group's business in the retail and trading of jewellery and branded merchandise attained the CaseTrust accreditation from the Consumer Association of Singapore in 2014.

The Group also believes that public awareness towards its brand name has been enhanced through its marketing campaigns, and customers have gained a deeper understanding of the Group and the benefits of its financial services business.

The Group currently has an overseas presence in Malaysia, Australia, China, Hong Kong, Germany and Switzerland. This has allowed the Group to tap deeper into the international procurement network, providing more efficient and effective means to source its inventory.

5.4 Synergies between the retail, pawnbroking and secured lending businesses

The Group currently houses three business segments under one roof – retail, pawnbroking and secured lending. Such unique arrangement allows the Group to tap on synergies between these businesses, merge backend functions, consolidate resources and leverage on economies of scale. It also allows the Group to increase its bargaining power with suppliers and share relevant and applicable knowledge and experience between the businesses. In particular, such arrangement allows the Group to consolidate both established and new brands including Maxi-Cash, Lee Hwa, Goldheart and BigFundr under a single entity to cater to a diverse target audience, unlocking a new stage of growth for the Group.

5.5 Skilled and qualified workforce, led by an experienced and committed board of directors and management team

The Group believes that the presence of a skilled and qualified workforce is one of the key growth factors of the Group's business to date. The Group recruits candidates with potential for future development and trains and motivates its employees to provide quality services that will enhance client satisfaction.

In its pawnbroking business, the Group's staff possess the relevant knowledge to appraise pledged articles and disburse loans expeditiously and the Group believes that its high-quality customer service and short response time differentiate its services from its competitors. The majority of the Group's employees in the pawnbroking business are trained in appraisal skills in addition to the usual customer relations and communication skills.

In its retail business, the Group's staff are trained to introduce customers to a wide variety of quality products and to provide sincere, helpful and knowledgeable service to customers.

The Group believes that its training has built up a talent pool that enables it to staff its store network with skilled and qualified personnel as well as to staff new stores as the Group grows its network.

The Group also has in-house expertise in providing repair and after-sales services for luxury time pieces.

The Issuer has a committed board of directors and management team who are experienced in their respective fields of expertise. Please refer to the section "Board of Directors and Key Management" below for details on the experience of the directors and the management team.

The Issuer believes that the extensive experience of its management team, together with its industry knowledge and in-depth understanding of the market, will enable it to continue to take advantage of future market opportunities.

5.6 Well-developed system of risk management

Risk management is integral to the success of the Group's business. The Group's focus on accuracy in the valuation and assessment of the authenticity of pledged articles, and acquisition of jewellery and branded merchandise enables the Group to maintain its risk at minimum levels.

In assessing personal articles presented for pawning or sale, the Group's focus on the accuracy of the valuations of the personal articles enables it to minimise price risks and determine the appropriate value of loans to be given. In addition to having skilled and qualified staff with appraisal and valuation expertise, the Group has in place different approval levels for different loan amounts. Depending on the loan quantum, approvals for loans may escalate to the level of the head of operations, who is based in the Group's head office. In accordance with its risk management guidelines, the Group has also set a single customer loan amount limit in its computer system. This well-developed risk management system allows the Group to effectively manage its risks as it expands its business.

In the secured lending business, the Group manages its risk by entering into markets which it is familiar with, being selective of the location and type of its collateral and placing a strong emphasis on the valuation of the collateral when determining the loan terms. An independent valuation report will be required by the Group and the Group's staff may also conduct an on-site visit to the property if and when necessary.

Additionally, to the extent that the secured loans extended by the Group are denominated in a foreign currency, the Group may enter into contracts or arrangements to hedge its foreign exchange exposure.

5.7 Vertically-integrated operations in its new jewellery business

The Group is one of the few local jewellers with vertically-integrated, end-to-end operations including in-house designing, manufacturing and retailing capabilities and the majority of the new jewellery sold by the Group under the "Lee Hwa" and "Goldheart" brands are designed by its own designers.

The Group manufactures such jewellery through sub-contracting arrangements in countries such as China. Outsourcing of production to reliable sub-contractors ensures that production costs are kept low. At the same time, stringent quality control procedures are in place to ensure that the quality of the finished product is consistently maintained at international standards.

The Group's "Niessing" brand conceives, creates and produces its products in-house. All of the Group's "Niessing" jewellery are manufactured in a state-of-the-art production facility in Vreden, Germany. As part of the manufacturing process, different methods of production are utilised and combined, ranging from traditional techniques to cutting-edge technologies.

6. INSURANCE

As at the Latest Practicable Date, the following insurance policies are maintained by Group:

(a) loss and damage to pledged articles held in its pawnshop premises, as required under the Pawnbrokers Act 2015;

(b) stock and merchandise related insurance (including gold, jewellery, watches, handbags and cash);

(c) staff-related insurance (including workmen compensation insurance, fidelity guarantee insurance, group hospitalisation and surgical insurance and/or group personal accident insurance);

(d) asset-related insurance (including motor vehicle insurance, fire insurance, consequential loss insurance and/or all risk insurance);

(e) public liability insurance; and

(f) officer liability insurance.

The Issuer is not insured against loss of key personnel and business interruption.

7. BOARD OF DIRECTORS AND KEY MANAGEMENT

7.1 Board of directors

The Issuer is led by the board of directors, together with a professional management team.

The board of directors oversees the management of the business and affairs of the Group.

Koh Wee Seng
Non-Executive Chairman

Koh Wee Seng is the Issuer's Non-Executive Chairman. He is also the Executive Director and Chief Executive Officer of Aspial and is responsible for the strategic planning, overall management and business development of Aspial Group. Since late 1994 when the new management led by him took over the reins, Aspial 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 Aspial's diversification into the real estate and financial services businesses.

Mr Koh holds a Bachelor degree in Business Administration from the National University of Singapore.

Ng Kean Seen
Chief Executive Officer and Executive Director

Ng Kean Seen is the Chief Executive Officer and Executive Director of the Group and is responsible for driving the Group's business performance in Singapore and the region. Mr Ng has more than 20 years' experience in the jewellery retail trade, overseeing Aspial's jewellery business and managing the investments in the "Niessing" jewellery, bullion and safe keeping businesses.

Prior to this, he was working in the engineering and construction, automobile and financial services sectors.

Mr Ng holds a Bachelor of Engineering with Management (Honours) from University of Leeds (UK) and obtained a Master of Science in Marketing from City University of New York (US). He has also attended executive programmes by Chicago Business School and ESSEC Business School.

Ko Lee Meng
Non-Executive Director

Ko Lee Meng was appointed as the Issuer's Non-Executive Director on 28 July 2008. Mdm Ko has accumulated more than 25 years of experience in the jewellery industry and helped to set up the merchandising team for the Issuer when it was incorporated in 2008. She is currently a Non-Executive Director of Aspial and also the Executive Director, Deputy Chairman and Chief Executive Officer of Global Premium Hotels Limited.

Mdm Ko holds a Bachelor degree in Arts from the National University of Singapore.

Yeo Yun Seng Bernard
Lead Independent Director

Yeo Yun Seng Bernard was appointed as the Issuer's Independent Director on 5 May 2023. Currently, he is the principal partner of HT & BY Financial Management Consultants. He has been in this business since 1997 and specialises in strategic advisory work, turning unprofitable businesses around, growing business units, grooming key executives including chief executive officers in preparation for listing and overseas business expansion. He is also a director of SHRI Academy Pte Ltd and SHRI Corporation Pte Ltd. Mr Yeo started his career in audit in 1973 with Turquands Ernst and Whinney. He was the financial controller for France Scott Pte Ltd from 1977 to 1980, the finance and personnel manager for Nemic-Lambda (S) Pte Ltd from 1980 to 1983, and the finance and administration manager for Airpax Components Far East Pte Ltd from 1983 to 1986. He joined Compaq Asia in 1986 and was its chief financial officer for Asia Pacific till he left in 1996. Mr Yeo also has more than 50 years of working experience in accounting and financial management. Mr Yeo is a fellow of Singapore Human Resources Institute ("**SHRI**") and a fellow member of the Association of Chartered Certified Accountants and was until 1 March 2011, a council member of SHRI.

Tan Soo Kiang
Independent Director

Tan Soo Kiang was appointed as the Issuer's Independent Director on 12 July 2016. Mr Tan brings to the Board over 40 years of experience in legal practice and has held various appointments in the legal and judicial branch of the Singapore Legal Service before entering private practice in 1992. He joined Messrs Wee Swee Teow & Company as a partner and his areas of practice encompassed both civil and criminal litigation. Mr Tan retired from legal practice in 2015. He has also been an active volunteer in social and community services for many years for which he was awarded the Public Service Medal in 2007 and the Public Service Star in 2013. Mr Tan has held various appointments and directorships through the years. He currently serves as (a) Chairman, Institutional and Disciplinary Advisory Committee / Discipline Advisory Committee for Prison Service under the Ministry of Home Affairs; (b) Independent Director of Pertama Holdings Pte. Ltd.; (c) Independent Director of iShine Cloud Limited; (d) Independent Director of Lew Foundation Limited; (e) Board member, St Andrew's Mission Hospital Board; (f) Chairman, St Andrew's Autism Centre and St Andrew's Autism School; (g) Chairman, St Andrew's Junior College Board of Governors; and (h) Deputy Chairman, St Andrew School Board of Governors.

Mr Tan graduated from the University of Singapore with a Bachelor of Laws (Honours) degree and was admitted as Advocate and Solicitor of the Supreme Court of Singapore in 1977.

Ng Bie Tjin @ Djuniarti Intan
Independent Director

Ng Bie Tjin @ Djuniarti Intan Ms Ng was a director of Datapulse Technology Limited from 7 January 1994 to 30 November 2014. During the 20-year period, Ms Ng was a member of its Nominating Committee and was its Finance Director. Apart from overseeing the daily operations of 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 its Audit & Risk Committee and Nominating Committee and a member of its Remuneration 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.

7.2 Key management

Oh Kwok Fon
Assistant Finance Director

Oh Kwok Fon is the Group's Assistant Finance Director and is responsible for the Group's financial policies, accounting and internal control systems, strategic financial planning and analysis and compliance with audit and statutory requirements. He joined Aspial in 2018 where he led a company-wide finance transformation initiative and also oversaw the finance function of the Jewellery business. In 2020, his portfolio was enlarged to include the finance function of the Group. Mr Oh has accumulated more than 16 years of finance professional experience in multiple finance functions including with Messrs Ernst and Young Singapore, United Parcel Service (UPS), Sanofi and IKEA.

Mr Oh holds a Bachelor degree in Accountancy from Nanyang Technological University of Singapore and a Master of Business Administration from Curtin University, Australia.

Lee Yew Teck
Assistant Operations Director

Lee Yew Teck is the Assistant Operations Director of the Group's pawnbroking and retail businesses under the "Maxi-Cash" brand for Singapore and is responsible for the operations of the retail and pawnbroking business. Prior to the appointment, Mr Lee was the Assistant Operations Director in Aspial for its jewellery business where he oversaw the operations of the jewellery brands "Lee Hwa" and "Goldheart". Mr Lee has more than 20 years' experience in retail operations.

Toh Yen Hoon
Retail & Marketing Director

Toh Yen Hoon is the Retail & Marketing Director of the Group's pawnbroking and retail businesses under the "Maxi-Cash" brand in Singapore and the region. She is fully responsible for the marketing function for both retail outlets and e-commerce. Ms Toh joined Aspial in 2018 and was the Business Director for the "Lee Hwa" jewellery brand. Prior to this, Ms Toh held senior marketing positions in the education, automotive and medical aesthetics sectors, accumulating more than 20 years of experience.

Ms Toh holds a Bachelor degree in Arts, majoring in Communications and Public Relations, from Deakin University (Australia).

Tan Eng Yeow
Merchandising Director

Tan Eng Yeow is the Merchandising Director of the Group. He joined the organisation in November 2009 and was responsible for retail merchandising for the Group's "Lee Hwa" and "Goldheart" jewellery brands. In January 2022, he was given the additional portfolio of managing gold merchandising under the "Maxi-Cash" brand for the Group. Currently, he leads the merchandising team for all product categories across the Group's retail business brands.

Mr Tan holds a Master of Science in Computer Science (Artificial Intelligence) from University of Essex.

Patsy Loo
Group's Business Director

Patsy Loo is the Business Director of the Group's jewellery business under the "Lee Hwa" and "Goldheart" brands in Singapore She oversees brand development & marketing, product designs and retail concept development and is also responsible for setting the brand and business strategies for the Group's "Lee Hwa" and "Goldheart" jewellery brands, defining the brand territory and narrative as well as planning the overall omnichannel marketing execution. Prior to this, Ms Loo was a brand builder in prominent food and beverage and cosmetics and retail companies.

She holds a Bachelor of Arts in Communication studies from Monash University and a Cornell executive management programme diploma.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set out the Group's consolidated statements of comprehensive income for the financial years ended 31 December 2021 ("**FY2021**"), 31 December 2022 ("**FY2022**"), and 31 December 2023 ("**FY2023**"), and the Group's consolidated statements of financial position as at 31 December 2021, 31 December 2022, and 31 December 2023. The selected consolidated financial data in the tables below are derived from, and should be read in conjunction with, the Group's audited consolidated financial statements for FY2021, FY2022 and FY2023, including the notes thereto, which appear in Appendices II and III of this Information Memorandum.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Audited FY2023 (S$'000)	Audited FY2022 (S$'000)	Audited FY2021 (S$'000)
Revenue	471,581	319,008	225,703
Material costs	(307,105)	(208,785)	(143,881)
Employee benefits expenses	(50,217)	(31,706)	(25,435)
Depreciation and amortisation	(30,440)	(18,265)	(14,509)
Finance costs	(29,708)	(17,402)	(10,162)
Other operating expenses	(38,019)	(28,688)	(19,986)
Interest income	568	644	28
Dividend income from equity securities	2	198	298
Rental income	2,921	1,659	1,329
Other income	4,099	5,080	4,141
Share of results of associate	17	–	–
Share of results of joint venture	–	61	57
Profit before tax	**23,699**	**21,804**	**17,583**
Income tax expense	(3,927)	(5,727)	(3,042)
Profit for the year	**19,772**	**16,077**	**14,541**
Other comprehensive income:			
Items that will not be reclassified to profit or loss (net of tax):			
Net fair value changes on equity instruments at fair value through other comprehensive income ("**FVOCI**")	(539)	(1,113)	28
Items that may be reclassified subsequently to profit or loss (net of tax)			
Net fair value changes on debt securities at fair value through other comprehensive income	–	–	4
Net loss on cash flow hedge	(1,209)	(70)	–
Foreign currency translation	208	420	103
Other comprehensive income for the year, net of tax	**(1,540)**	**(763)**	**135**
Total comprehensive income for the year	**18,232**	**15,314**	**14,676**
Profit for the year attributable to:			
Owners of the Issuer	19,191	15,984	14,446
Non-controlling interests	581	93	95
	19,772	**16,077**	**14,541**
Total comprehensive income attributable to:			
Owners of the Issuer	17,478	15,221	14,581
Non-controlling interests	754	93	95
	18,232	**15,314**	**14,676**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Audited As at 31 December 2023 (S$'000)	Audited As at 31 December 2022 (S$'000)	Audited As at 31 December 2021 (S$'000)
Non-current assets			
Property, plant and equipment	126,745	129,217	81,078
Investment properties	4,950	11,650	16,850
Right-of-use assets	82,399	82,098	33,314
Intangible assets	11,990	6,652	–
Other receivables	4,094	3,953	2,086
Investment in subsidiaries	–	–	–
Investment in associate	20	–	–
Investment in joint venture	–	–	1,466
Investment securities	1,477	1,841	2,957
Prepaid rent	–	–	1
Deferred tax assets	1,674	1,378	2,853
	233,349	**236,789**	**140,605**
Current assets			
Inventories	170,475	171,298	90,927
Trade and other receivables	479,838	384,251	329,488
Prepayments	2,075	2,474	970
Due from subsidiaries (non-trade)	–	–	–
Due from related companies (non-trade)	329	93	–
Due from immediate holding company (non-trade)	–	10	–
Derivative financial instruments	1,518	754	219
Cash and bank balances	32,641	30,813	19,735
	686,876	**589,693**	**441,339**
Total assets	**920,225**	**826,482**	**581,944**
Current liabilities			
Trade and other payables	103,692	48,845	12,192
Due to immediate holding company (non-trade)	8,792	13,502	6
Due to related companies (non-trade)	2,300	3,285	3
Derivative financial instruments	2,797	902	–
Provision for taxation	5,064	5,957	2,944
Interest-bearing loans	390,470	348,050	252,296
Lease liabilities	21,470	21,101	10,304
Medium-Term Notes	–	–	45,250
	534,585	**441,642**	**322,995**
Net current assets	**152,291**	**148,051**	**118,344**
Non-current liabilities			
Other payables	546	80	111
Interest-bearing loans	89,993	100,199	84,001
Medium-term notes	59,763	59,527	–
Deferred tax liabilities	1,238	1,347	175
Lease liabilities	63,045	63,323	24,106
	214,585	**224,476**	**108,393**
Total liabilities	**749,170**	**666,118**	**431,388**
Net assets	**171,055**	**160,364**	**150,556**
Equity attributable to owners of the Issuer			
Share capital	198,486	192,206	142,341
Treasury shares	(19)	(19)	(59)
Other reserves	(56,315)	(48,713)	(5,928)
Revenue reserve	23,732	15,719	13,072
	165,884	**159,193**	**149,426**
Non-controlling interests	5,171	1,171	1,130
Total equity	**171,055**	**160,364**	**150,556**
Total equity and liabilities	**920,225**	**826,482**	**581,944**

REVIEW OF THE GROUP'S FINANCIAL PERFORMANCE

FY2023 compared with FY2022

The Group's revenue grew by 47.8% to S$471.6 million in FY2023, a S$152.6 million increase from the S$319.0 million recorded for FY2022. The increase in revenue was primarily attributable to higher revenue from the retail and trading of jewellery and branded merchandise segment, the newly acquired jewellery business in the fourth quarter ended 31 December 2022 ("**4Q2022**") and the increase in interest income from the newly acquired pawnbroking business. These were in turn partially offset by lower revenue from the secured lending segment.

Revenue from the retail and trading of jewellery and branded merchandise business grew substantially, from S$265.4 million in FY2022, to S$407.5 million for FY2023. This 53.5% or S$142.1 million increase was primarily due to the above-mentioned acquisition of the jewellery business from Aspial Corporation Limited in 4Q2022.

In a similar vein, revenue from the pawnbroking business also improved, growing by 23.5% from S$51.5 million in FY2022 to S$63.6 million in FY2023. The improvement is attributed to the higher interest income from the Group's growing pledge book and newly-acquired subsidiary in Malaysia.

Meanwhile, the secured lending business saw a more muted set of results in FY2023 as most of its loans had fully matured.

In line with the expanded scope of operations, operating expenses in FY2023 increased by S$40.0 million as compared to FY2022. This increase was mainly due to higher marketing, staff and depreciation costs arising from the newly acquired jewellery business and Malaysian subsidiaries.

Finance costs for FY2023 were also higher due to higher borrowings and the significant increase in interest rates.

The profit before tax of the Group increased from S$21.8 million in FY2022 to S$23.7 million in FY2023 mainly due to the increase in revenue and gross profit and higher rental income which were offset by higher operating expenses, lower other income and higher finance costs.

The higher operating expenses included a foreign exchange loss of S$1.8 million in FY2023 which is mainly due to exposure in the Malaysian Ringgit at the Group's regional subsidiaries. Excluding this foreign exchange loss, the Group would have registered a profit before tax of S$25.5 million for FY2023.

FY2022 compared with FY2021

The Group's revenue increased by 41.3% or S$93.3 million to S$319.0 million in FY2022. This increase in revenue was primarily attributable to higher revenue from the retail and trading of jewellery and branded merchandise segment which saw significant contribution from the newly acquired jewellery business. Revenue was also boosted by the increase in interest income from the pawnbroking business while the secured lending business remained consistent.

The retail and trading of jewellery and branded merchandise business reported the most significant increase in revenue, with revenue increasing by 49.4% to S$265.4 million in FY2022, largely due to the acquisition of the jewellery business from Aspial Corporation Limited.

Revenue contribution from the pawnbroking business increased by 11.9%, from S$46.0 million in FY2021 to S$51.5 million in FY2022. This growth was driven by the higher interest income from its growing pledge book.

The Group's secured lending business reported a 1.9% increase in revenue in FY2022.

Meanwhile, the Group's operating expenses increased in tandem with the improved results, with higher marketing expenditures, staff costs and depreciation costs arising from newly acquired jewellery business resulting in operating expenses for the year increasing from S$59.9 million in FY2021 to S$78.7 million in FY2022.

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

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

REVIEW OF THE GROUP'S FINANCIAL POSITION

31 December 2023 compared with 31 December 2022

The equity attributable to owners of the Issuer was S$165.9 million as at 31 December 2023 as compared to S$159.2 million as at 31 December 2022. This increase was mainly due to an increase in profit for the year, partially offset by dividends paid in the half year ended 30 June 2023 in respect of profit for FY2022 and the half year ended 31 December 2023 in respect of profit for FY2023.

The Group's total assets of S$920.2 million as at 31 December 2023 was S$93.7 million higher than that as at 31 December 2022 mainly due to an increase in trade and other receivables contributed by the increase in pledge book from the Group's pawnbroking business, right-of-use assets, intangible assets, deferred tax assets, due from related companies (non-trade), derivative financial instruments, cash and cash equivalent, partially offset by decrease in inventories, investment securities, prepayment, investment properties, property, plant and equipment.

The Group's total liabilities of S$749.2 million as at 31 December 2023 was S$83.1 million higher than that as at 31 December 2022. This was mainly due to increases in interest-bearing loans, derivative financial instrument, leases liabilities, trade and other payables.

31 December 2022 compared with 31 December 2021

The equity attributable to owners of the Issuer was S$159.2 million as at 31 December 2022 as compared to S$149.4 million as at 31 December 2021. This increase was mainly due to increases in share capital, other reserves and profit for the year, partially offset by dividend paid in FY2022 in respect of profit for FY2021 and FY2022.

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

The Group's total liabilities of S$666.1 million as at 31 December 2022 was S$234.7 million higher than that as at 31 December 2021. This was mainly due to an increase in interest-bearing loans, leases liabilities, due to immediate holding company (non-trade), trade and other payables and additional term notes issued in the half year ended 30 June 2022.

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

INVESTMENT CONSIDERATIONS

Prior to making an investment or divestment decision, prospective investors in or existing holders of the Notes should carefully consider all the information set forth in this Information Memorandum and any documents incorporated by reference herein including the investment considerations and risk factors set out below.

The investment considerations and risk factors set out below do not purport to be complete or comprehensive of all the investment considerations and risk factors that may be involved in the business, assets, financial condition, performance or prospects of the Issuer and its subsidiaries or any of the properties owned by the Group or any decision to purchase, own or dispose of the Notes. Additional investment considerations and risk factors which the Issuer is currently unaware of or currently deems immaterial may also impair its and/or the Group's business, assets, financial condition, performance or prospects. The inclusion of each of the risk factors in this Information Memorandum is not intended to inform a prospective investor in or existing holder of the Notes of any of the Issuer's or the Group's measures taken in relation to any of the risk factors, and should not be considered as a statement or representation that the Issuer or the Group has taken any measure in relation to any of the risk factors or of the adequacy or sufficiency of any measures. If any of the following investment considerations or risk factors develops into actual events, the business, assets, financial condition, performance or prospects of the Issuer and/or the Group could be materially and adversely affected. In such cases, the ability of the Issuer to comply with its obligations under the Trust Deed and the Notes may be adversely affected. Further, the market price of the Notes could decline, and investors may lose all or part of their investments in the Notes. The investment considerations and risk factors discussed below also include forward-looking statements and the Issuer's and the Group's actual results may differ substantially from those discussed in these forward-looking statements. Sub-headings are for convenience only and investment considerations and risk factors that appear under a particular sub-heading may also apply to one or more other sub-headings.

LIMITATIONS OF THIS INFORMATION MEMORANDUM

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or an existing holder of the Notes may require in investigating the Issuer or the Group, prior to making an investment or divestment decision in relation to the Notes issued under the Programme.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Notes.

This Information Memorandum is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Notes only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Notes is suitable is a prospective investor's responsibility, even if the investor has received information to assist it in making such a determination. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuer, its subsidiaries or its associated companies (if any), the Arranger, any of the Dealers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the Notes should determine for itself the relevance of and the emphasis to be placed on the information contained in this Information

Memorandum and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Group, the terms and conditions of the Notes and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Notes.

RISKS RELATING TO THE NOTES

The Notes issued under the Programme may have limited liquidity

There can be no assurance regarding the future development of the market for the Notes issued under the Programme, or the ability of the Noteholders, or the price at which the Noteholders may be able, to sell their Notes. Lack of liquidity may have an adverse effect on the market value of the Notes. Although the issue of additional Notes may increase the liquidity of the Notes, there can be no assurance that the price of such Notes will not be adversely affected by the issue in the market of such additional Notes.

An active trading market for the Notes issued under the Programme may not develop

There can be no assurance as to the liquidity of the Notes or that an active trading market will develop. If such a market were to develop, the Notes may trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates, the Issuer's operations, the market for similar securities, general economic conditions and the financial condition of the Issuer. The Dealers are not obliged to make a market in the Notes and any such market making, if commenced, may be discontinued at any time at the sole discretion of the relevant Dealer(s). Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances investors may not be able to sell their Notes at their fair market value or at all.

Although application will be made for the listing and quotation of any Notes that may be issued under the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST, there is no assurance that the Issuer will be able to obtain or maintain such listing on the SGX-ST or that an active trading market will develop. In addition, the market for investment grade and crossover grade debt has been subject to disruptions that have caused volatility in prices of notes similar to the Notes to be issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

Certain Noteholder(s) who are controlling shareholder(s), interested persons (as defined in the Listing Manual of the SGX-ST) and/or director(s) of the Issuer may subscribe to a substantial portion of the aggregate principal amount of any Series of Notes to be issued from time to time under the Programme and may therefore be able to control the outcome of votes which will be binding on all Noteholders. Additionally, this may reduce the liquidity of such Notes in the secondary trading market

Certain Noteholder(s) who are controlling shareholder(s), interested persons and/or director(s) of the Issuer may subscribe for, or be holders of, a substantial portion of the aggregate principal amount of any Series of Notes. The Trust Deed and terms and conditions of the Notes contain provisions for convening meetings of Noteholders to consider matters affecting their interests, including modification by Extraordinary Resolution of the terms and conditions of such Notes. As an Extraordinary Resolution needs to be passed by a majority of (in the case of a Normal Extraordinary Resolution) not less than 66⅔ per cent., and (in the case of a Reserved Matter Extraordinary Resolution) not less than 75 per cent., of the votes cast, any Noteholder holding more than 33⅓ per cent. of the aggregate principal amount of a Series of Notes outstanding (as defined in the Trust Deed) will be able to prevent the passing of an Extraordinary Resolution and accordingly control the outcome of votes on such matters which will be binding on all Noteholders. In addition, the existence of any such Noteholder holding a substantial portion of Notes may reduce the liquidity of such Notes in the secondary trading market. If such Noteholder sells a material amount of the aggregate principal amount of Notes at any one time, it may materially and adversely affect the trading price of such Notes. The Dealers are not obliged to make a market in the Notes and any such market making, if commenced, may be discontinued at any time at the sole discretion of the relevant Dealer(s).

The market value of the Notes issued under the Programme may fluctuate

Trading prices of the Notes are influenced by numerous factors, including the operating results, the financial condition and/or the future prospects of the Issuer, its subsidiaries and/or its associated companies (if any), the market for similar securities, political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, its subsidiaries and/or associated companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuer, its subsidiaries and/or its associated companies (if any) operate or have business dealings, could have a material adverse effect on the Singapore economy and the operating results, business, financial performance, financial condition and/or future prospects of the Issuer, its subsidiaries and/or its associated companies (if any).

Further, recent global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may also adversely affect the market price of the Notes.

The Notes issued under the Programme are subject to interest rate risks

Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in bond prices, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, bond prices may rise. Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

The Notes issued under the Programme are subject to inflation risks

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

The Issuer may not fully hedge the currency risks associated with Notes denominated in foreign currencies

As Notes issued under the Programme may be denominated in currencies other than Singapore dollars, the Issuer may be affected by fluctuations between the Singapore dollar and such foreign currencies in meeting the payment obligations under such Notes and there is no assurance that the Issuer will be able to fully hedge the currency risks associated with such Notes denominated in currencies other than Singapore dollars.

The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Notes linked to or referencing such "benchmarks"

The Programme allows for the issuance of Notes that reference certain interest rates or other types of rates or indices which are deemed to be "benchmarks".

Reference rates and indices which are deemed to be, or used as, "benchmarks" are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union ("**EU**"). Among other things, it (a) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (b) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The EU Benchmarks Regulation, as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (the "**FCA**") or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the national or international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

Specifically, the sustainability of the London Interbank Offered Rate ("**LIBOR**") has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. The FCA has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

On 5 March 2021, the FCA announced, *inter alia*, the dates on which the various LIBOR rates in respect of various currencies will either cease to be provided or cease to be representative of their underlying market, with such end-date falling either on 31 December 2021 or by 30 June 2023.

Separately, the Euro risk free-rate working group for the Euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new Euro denominated cash products (including bonds) referencing the Euro Interbank Offered Rate ("**EURIBOR**"). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the Euro area financial system. On 11 May 2021, the Euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

In addition, as the Singapore Dollar Swap Offer Rate ("**SOR**") methodology relies on USD LIBOR in its computation, the likely discontinuation of LIBOR after June 2023 will impact the future sustainability of SOR. On 30 August 2019, the MAS announced that it had established an industry-led steering committee to oversee an industry-wide interest rate benchmark transition from the SOR to the Singapore Overnight Rate Average ("**SORA**"). On 5 August 2020, the MAS announced several initiatives to support the adoption of SORA, including prescribing SORA as a financial benchmark under the SFA. The initiatives aim to catalyse greater activity in SORA markets, safeguard the benchmark's integrity and enhance market confidence in SORA. Similarly, the Association of Banks in Singapore has also proposed to discontinue certain tenors for the Singapore Interbank Offered Rate ("**SIBOR**") and to amend the methodology for determining SIBOR. The Association of Banks in Singapore, the Singapore Foreign Exchange Market Committee and the Steering Committee for SOR & SIBOR Transition to SORA ("**SC-STS**") (together, the "**Committees**") laid out transition roadmaps for shifting away from the use of SOR and SIBOR to the use of SORA as the main interest rate benchmark for SGD financial markets. Following industry consultations by the Committees, SOR was discontinued by end-June 2023 and the issuance of SOR-linked loans and securities that mature after end-2021 has ceased since end-April 2021, with financial institutions and their customers to cease usage of SOR in new derivative contracts (except for specified purposes relating to the risk management and transition of legacy SOR positions to SORA) by end-September 2021. Similarly, the Committees have announced plans to discontinue SIBOR, with 6-month SIBOR having been discontinued on 31 March 2022 and 1-month and 3-month SIBOR expected to be discontinued by end-2024.

In order to mitigate further build up in the stock of legacy SIBOR contracts, the SC-STS has recommended that financial institutions and their customers cease usage of SIBOR in new contracts by end-September 2021. On 31 March 2021, SC-STS also published a report which set out recommended timelines for the cessation of SOR and SIBOR linked financial products, which was updated on 5 August 2021 and 18 July 2022. On 14 December 2022, the SC-STS published an implementation paper setting out technical details for the implementation of SC-STS' supplementary guidance on adjustment spreads for the conversion of SOR contracts to SORA. SC-STS' supplementary guidance applies to the active transition of unhedged SOR loans and is to be used up till end-2024. The implementation paper only covers the setting of adjustment spreads for the conversion of wholesale SOR contracts to Compounded-in-arrears SORA and does not apply to the setting of adjustment spreads for the conversion of legacy SOR retail loans to Compounded-in-advance SORA. The SC-STS has also published an adjustment spread calculator which market participants have been encouraged to use for the purpose of supporting the active transition of SOR loans to SORA.

Investors should note that, subject further to the terms of the relevant Notes, such announcements set out in the preceding paragraphs may be construed as a relevant benchmark event having occurred.

It is not possible to predict with certainty whether, and to what extent, any benchmark will continue to be supported going forward. This may cause such benchmark to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark, (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulations, as applicable, or any of the national or international reforms and the possible application of the benchmark replacement provisions of the Notes in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Notes

Investors should be aware that the market continues to develop in relation to risk free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted. Please refer to the risk factor entitled "*The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Notes linked to or referencing such "benchmarks"*" for further details of the recent interest rates and benchmarks reform.

The market or a significant part thereof may adopt an application of risk free rates that differs significantly from that set out in the Conditions and used in relation to any Notes that reference risk free rates issued under the Programme. The Issuer may in the future also issue Notes referencing risk free rates that differ materially in terms of interest determination when compared with any previous Notes referencing the same risk free rate issued by it under the Programme. The development of risk free rates as interest reference rates for the bond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes issued under the Programme which references any such risk free rate from time to time.

Furthermore, the basis of deriving certain risk free rates, such as SORA, may mean that interest on the Notes which reference any such risk free rate would only be capable of being determined after the end of the relevant observation period and immediately prior to the Interest Payment Date. It may be difficult for investors in Notes which reference any such risk free rate to accurately estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to SIBOR-linked securities, if Notes referencing SORA become due and payable as a result of an Event of Default under the Conditions, the rate of interest payable for the final Interest Period in respect of such Notes may only be determined on the date which the Notes become due and payable. Investors should consider these matters when making their investment decision with respect to any such Notes.

In addition, the manner of adoption or application of risk free rates in the bond markets may differ materially compared with the application and adoption of such risk free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk free rates.

In particular, investors should be aware that several different methodologies have been used in risk free rate securities issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk free rates, including various ways to produce term versions of certain risk free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk free rates. If the relevant risk free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk free rates may be lower than those of securities referencing indices that are more widely used.

Risk free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk free rates nor should they rely on any hypothetical data.

Since risk free rates are relatively new market indices, Notes linked to any such risk free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if any risk free rate to which a series of Notes is linked does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to a risk free rate may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that any risk free rate to which a series of Notes is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Notes referencing such risk free rate. If the manner in which such risk free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

Singapore taxation risk

The Notes to be issued from time to time under the Programme during the period from the date of this Information Memorandum to 31 December 2028 are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section titled "Singapore Taxation" on pages 114 to 117 of this Information Memorandum.

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith, should the relevant tax laws be amended or revoked at any time.

Investors and holders of the Notes should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Notes.

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement to this Information Memorandum;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets;

(v) understand thoroughly the nature of all those risks before making a decision to invest in the Notes; and

(vi) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact such investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors may be subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to, *inter alia*, determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Issuer's ability to comply with its obligation to repay the Notes may be dependent upon the earnings of, and distributions by, the members of the Group and future performance of the Group

The Issuer's ability to comply with its obligation to repay the Notes may depend on the earnings of the Group and the distribution of funds amongst members of the Group, primarily in the form of dividends. Whether or not the members of the Group can make distributions to the Issuer will depend on distributable earnings, cash flow conditions, restrictions that may be contained in the debt instruments or loan agreements of its members, applicable law and other arrangements. These restrictions could reduce the amount of distributions that the Issuer receives from its members, which would restrict the Issuer's ability to fund its business operations and to comply with its payment obligations under the Notes.

Further, the ability of the Issuer to make scheduled principal or interest payments on its indebtedness, including the Notes, and to fund its growth aspirations, will depend on the Group's future performance and its ability to generate cash, which to a certain extent is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in this "Investment Considerations" section, many of which are beyond the control of the Issuer. If the Issuer's future cash flow from operations and other capital resources are insufficient to pay its debt obligations, including the Notes, or to fund its other liquidity needs, it may be forced to sell assets, attempt to restructure or refinance its existing indebtedness. No assurance can be given that the Issuer would be able to accomplish any of these measures on a timely basis or on satisfactory terms or at all.

Noteholders are exposed to financial risk and the Issuer may not be able to repay or redeem the Notes when required

Interest payment, where applicable, and principal repayment for debts occur at specified periods regardless of the performance of the Issuer and/or the Group. The Issuer may be unable to make interest payments or, where applicable, principal repayments, under a series of Notes should it suffer a serious decline in net operating cash flows.

The Issuer may, and at maturity will, be required to redeem the Notes. If such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. The ability to redeem such Notes in such event may also be limited by the terms of other debt instruments. The Issuer's failure to repay, repurchase or redeem tendered Notes could constitute an event of default under such Notes, which may also constitute a default under the terms of the Issuer's other indebtedness (if any).

Performance of contractual obligations by the Issuer may be dependent on other parties

The ability of the Issuer to make payments in respect of any Notes may depend upon the due performance by the other parties to the Programme Agreement, the Trust Deed, the Agency Agreement and (where applicable) the Agent Bank Agreement of their obligations thereunder including the performance by the Trustee, the relevant Paying Agents and/or the Agent Bank of their respective obligations. Whilst the non-performance of any relevant party will not relieve the Issuer of its obligations to make payments in respect of the Notes, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Noteholders and/or the Couponholders.

The Trustee may request Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction

In certain circumstances (including, without limitation, pursuant to Condition 10 of the Notes), the Trustee may (at its sole discretion) request Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes action on behalf of Noteholders. The Trustee shall not be obliged to take any such action if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken.

The Trustee may not be able to take action, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such action directly.

Notes which are subject to optional redemption may have a lower market value than Notes without such a feature

An optional redemption feature is likely to limit the market value of Notes containing such a feature. During any period when the Issuer may elect to redeem the Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At that time, Noteholders generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Noteholders should consider reinvestment risks in light of other investments available at that time.

The Notes may be issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Exchange rate risks and exchange controls may result in Noteholders receiving less principal or interest than expected

The Issuer will pay principal and interest on the Notes in the currency specified in the relevant Pricing Supplement (the "**Specified Currency**"). This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the currency in which the Notes are denominated. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (a) the Investor's Currency equivalent yield on the Notes, (b) the Investor's Currency equivalent value of the principal payable on the Notes and (c) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Noteholders may receive less interest and/or principal than expected, or no interest and/or principal at all.

Provisions in the Trust Deed and the Conditions may be modified

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed or any of the other Issue Documents (as defined in the Trust Deed) which in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear, Clearstream, Luxembourg, the Depository and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed) to the Trust Deed and any of the other Issue Documents, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any of the other Issue Documents which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

The Notes are not secured

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law or the Trust Deed (if any)) of the Issuer from time to time outstanding. Accordingly, on a winding-up or insolvency of the Issuer, the Noteholders will not have recourse to any specific asset of the Issuer or its subsidiaries or associated companies (if any) as security for outstanding payment or other obligations under the Notes and/or Coupons owed to the Noteholders or Couponholders and there can be no assurance that there would be sufficient value in the assets of the Issuer, after meeting all claims ranking ahead of the Notes, to discharge all outstanding payment and other obligations under the Notes and/or Coupons, as the case may be, owed to the Noteholders or Couponholders.

Application of Singapore insolvency and related laws to the Issuer may result in a material adverse effect on the Noteholders

There can be no assurance that the Issuer will not become bankrupt, unable to pay its debts or insolvent, or be the subject of judicial management, schemes of arrangement, winding-up or liquidation orders or other insolvency-related proceedings or procedures. In the event of an insolvency or near insolvency of the Issuer, the application of certain provisions of Singapore insolvency and related laws may have a material adverse effect on the Noteholders. Without being exhaustive, below are some matters that could have a material adverse effect on the Noteholders.

Where the Issuer is insolvent or close to insolvent and the Issuer undergoes certain insolvency procedures, there may be a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding-up in relation to the Issuer. It may also be possible that if a company related to the Issuer proposes a creditor scheme of arrangement and obtains an order for a moratorium, the Issuer may also seek a moratorium even if the Issuer is not itself proposing a scheme of arrangement. These moratoriums can be lifted with court permission and in the case of judicial management, with the consent of the judicial manager. Accordingly, if for instance there is any need for the Trustee to bring an action against the Issuer, the need to obtain court permission or the judicial manager's consent may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

Further, Noteholders may be made subject to a binding scheme of arrangement where the majority in number (or such number as the court may order) representing at least 75% in value of creditors and the court approve such scheme. In respect of such schemes of arrangement, there are cram-down provisions that may apply to a dissenting class of creditors. The court may notwithstanding a single class of dissenting creditors approve a scheme provided an overall majority in number representing at least 75% in value of the creditors meant to be bound by the scheme and who were present and voting (either in person or by proxy) at the relevant meeting have agreed to it and provided that the scheme does not unfairly discriminate and is fair and equitable to each dissenting class and the court is of the view that it is appropriate to approve the scheme. In such scenarios, Noteholders may be bound by a scheme of arrangement to which they may have dissented.

The Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the "**IRD Act**") was passed in the Parliament of Singapore on 1 October 2018 and came into force on 30 July 2020. The IRD Act includes a prohibition against terminating, amending or claiming an accelerated payment or forfeiture of the term under, any agreement (including a security agreement) with a company that commences certain insolvency or rescue proceedings (and before the conclusion of such proceedings), by reason only that the proceedings are commenced or that the company is insolvent. This prohibition is not expected to apply to any contract or agreement that is, or that is directly connected with the Notes. However, it may apply to other related contracts that are not found to be directly connected with the Notes.

Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade

In relation to any issue of Notes which have a denomination consisting of a minimum Denomination Amount (as defined in the Conditions) plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the minimum Denomination Amount that are not integral multiples of such minimum Denomination Amount. In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Denomination Amount in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Denomination Amount such that its holding amounts to a minimum Denomination Amount. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Denomination Amount in his account with the relevant clearing system at the relevant time may not receive a Definitive Note or in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Denomination Amounts. If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Denomination Amount may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum Denomination Amount and holders will have no rights against the Issuer (including rights to receive principal or interest or to vote or attend meetings of Noteholders) in respect of such Notes.

Variable Rate Notes may have a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include such features.

The Notes may be represented by Global Notes and holders of a beneficial interest in a Global Note must rely on the procedures of the relevant Clearing System(s) (as defined below)

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with or registered in the name of, or in the name of a nominee of, the common depositary, or lodged with CDP (each of Euroclear, Clearstream, Luxembourg, CDP and/or such other clearing system, a "**Clearing System**"). Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through the relevant Clearing System. The relevant Clearing System(s) will maintain records of their direct account holders in relation to the Global Notes.

While the Notes are represented by one or more Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary, CDP or such other clearing system, as the case may be, for distribution to their accountholders or, to the Paying Agent for distribution to the holders as appearing in the records of the relevant Clearing System, as the case may be. A holder of beneficial interest in the Global Notes must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Trust Deed.

A change in Singapore law which governs the Notes may adversely affect Noteholders

The Notes are governed by Singapore law in effect as at the date of issue of the Notes. No assurance can be given as to the impact of any possible judicial decision or change to Singapore law or administrative practice after the date of issue of the Notes and any such change could materially impact the value of any Notes affected by it.

RISKS RELATING TO THE GROUP'S BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS

The Group is subject to regulatory risks associated with its businesses and may be adversely affected if the Group is unable to maintain its existing licences, registrations, permits, approvals or exemptions

The Group's businesses are subject to several laws, regulations, rules and guidelines in the countries in which it operates, including but not limited to the Pawnbrokers Act 2015, the Secondhand Goods Dealers Act 2007, the SFA, the subsidiary regulations promulgated under the SFA and the various directions and guidelines issued by the MAS in connection with the SFA and the PSPM Act in Singapore, the Dealers in Precious Metals and Stones Registration Regime (implemented with effect from 1 April 2023) in Hong Kong and the Pawnbrokers Act 1972 in Malaysia. In the event that the Group is unable to maintain the licences, registrations, permits, approvals or exemptions necessary for the conduct of its businesses, its operations and financial performance may be adversely affected.

Under the Pawnbrokers Act 2015, a licence is required for the operation of each pawnshop and the approval of the Registrar of Pawnbrokers is required for the sale of new jewellery in a pawnshop. Under the Secondhand Goods Dealers Act 2007, a dealer in secondhand goods regulated thereunder is required to obtain a licence for each shop unless otherwise exempted. As part of the Group's secured lending business in Singapore, a CMS Licence is required by BigFundr to carry on business in dealing in capital markets products, which is a regulated activity under the SFA. As at the Latest Practicable Date, the Group has obtained the necessary licences, approvals and exemptions (where applicable) for the operation of its businesses. The Group's ability to continue its pawnbroking business, its retail business, and its secured lending business is dependent on the relevant licences, approvals and exemptions.

While the Group intends to take the necessary and appropriate steps to comply with all relevant regulatory requirements and guidelines, there is no assurance that the Group's licences will be renewed when they expire in the future or that it will maintain the approvals necessary for it to sell new jewellery in pawnshops, or that its exempt status for the dealing in secondhand goods will be maintained, or that its CMS Licence for the conduct of its secured lending business in Singapore will remain valid. Any revocation or suspension of the licences of any of its pawnshops, revocation or suspension of the approvals necessary for it to sell new jewellery, revocation or suspension of its exempt status as a secondhand goods dealer, failure by the Group to obtain the relevant licences for the dealing in secondhand goods (in the event that its exempt status is revoked), lapse, revocation or suspension of the CMS Licence for its secured lending business in Singapore, or imposition of any penalties, whether as a result of the infringement of regulatory requirements or otherwise, may have an adverse and material impact on its business and financial performance.

If there are any changes in legislation, regulations or policies affecting the pawnbroking business, the retail business and/or the secured lending business, such that more restrictions and/or additional compliance requirements are imposed on the Group, the Group may face higher costs of compliance and its financial performance may be adversely affected.

While the Group does not currently require any licences or approvals for the provision of its secured lending services overseas, any changes in applicable laws and regulations, or any future expansion in the scale, borrower base or geographical scope of the Group's overseas secured lending business may require licences or approvals from relevant regulatory authorities. There is no assurance that the Group will be able to obtain such licences or approvals if and when necessary. Any failure to obtain such licences or approvals, or any infringement of any regulatory requirements may have an adverse impact on the Group's financial performance.

The Group's business requires substantial capital and any disruption in funding sources could have a material adverse effect on its liquidity and financial condition

The Group's business requires substantial capital and its liquidity and profitability are largely dependent on its timely access to, and the costs associated with raising, capital. The Group has been financing its operations mainly through a combination of shareholders' equity (including retained profits), net cash generated from operating activities, borrowings from financial institutions, proceeds from the issue of debt securities and (subject to any restrictions under the Mainboard Listing Manual of the SGX-ST) advances and loans from Aspial Group.

To finance its existing operations and future expansion plans, the Group is likely to rely on funding from financial institutions, the shareholders of the Issuer and/or other sources of funds. In the event that it is unable to obtain loans, other credit facilities or funds from financial institutions on reasonable terms or from the shareholders of the Issuer and/or other sources, the Group may not be able to implement its business and operational strategies. This could adversely affect its business growth and financial performance.

The Group may require additional funding for its future growth plans

The Group may find future opportunities to grow through investments, acquisitions, joint ventures or strategic alliances which it has not identified at this juncture. Under such circumstances, the Group may need to obtain additional debt and/or equity financing to implement these growth opportunities.

Additional debt financing may, apart from increasing interest expense and gearing:

(a) limit the Group's ability to pay dividends;

(b) increase the Group's vulnerability to general adverse economic and industry conditions;

(c) require the Group to dedicate a substantial portion of cash flow from operations to payments on its debt, thereby reducing the availability of its cash flow to fund capital expenditure, working capital and other requirements; and/or

(d) limit its flexibility in planning for, or reacting to, changes in the industries in which it operates.

The Group is unable to assure investors that it will be able to obtain the additional debt and/or equity financing on terms that are acceptable to it or at all. Any inability to secure additional debt and/or equity financing for its needs may materially and adversely affect its business, implementation of its business strategies and future plans and financial position.

Gold price volatility may affect the Group's profitability

The profitability of the Group's operations is significantly affected by changes in gold prices as the Group is engaged in the sale of gold jewellery. Gold prices can fluctuate widely and are affected by numerous factors beyond the Group's control, including industrial and jewellery demand, inflation and expectations with respect to the rate of inflation, the strength of the United States dollar and other currencies, fluctuations in interest rates, gold sales by central banks and international institutions, forward sales by producers, global or regional political or economic events and production and cost levels in major gold-producing regions such as South Africa and China. In addition, gold prices are sometimes subject to rapid short-term changes because of speculative activities. The supply of gold consists of a combination of new production from mining and existing stocks of bullion and fabricated gold held by governments, public and private financial institutions, industrial organisations and private individuals. As the amounts produced in any single year constitute a small portion of the total potential supply of gold, typical variations in current production may not necessarily have a significant impact on the supply of gold or its price.

In its pawnbroking business, the Group extends loans secured by gold jewellery as collateral based on a certain loan-to-value ratio which factors in a buffer for potential fluctuations in gold prices and non-payment of interest. However, a significant and prolonged downward movement in the price of gold will result in a fall in collateral values. If the Group's customers do not repay their loans and the collateralised gold jewellery decreases significantly in value, the Group's financial position and results of operations may be adversely and materially affected.

The Group's business may be affected by non-renewal of leases, increase in rental of its stores, failure to secure new leases at strategic locations or termination of leases prior to expiry

The Group's retail stores are predominantly located at strategic and prime shopping locations in Singapore, Malaysia, Hong Kong, Australia, Germany, China, and Switzerland which are easily accessible to customers. The Group has entered into tenancy agreements in respect of such retail stores, a majority of which are leased from independent third parties. The Group intends to renew the tenancies or to exercise the renewal options of certain of these tenancy agreements upon expiry and maintain these leases at the existing locations, provided that the rental rates are not unreasonably above market rental rates.

However, there is no assurance that these leases can or will be renewed upon expiry or on terms and conditions favourable or acceptable to the Group. Should the Group fail to renew any of its existing leases for its retail stores upon expiry or on terms and conditions favourable or acceptable to the Group, such stores may have to be relocated and the Group may have to incur additional costs for renovation, relocation and removal of fittings. There is also no assurance that the Group will be able to secure new leases at similar locations that are satisfactory to the Group. If such stores have to be relocated to less favourable areas, the Group's revenue may be adversely affected. The Group's existing stores may also face closure if the increase in rental rates are excessive or if the Group is unable to find alternative locations. In such instances, the Group may face a decline in revenue and incur additional costs for closure. Failure to renew the existing leases upon expiry or on terms and conditions favourable or acceptable to the Group may thus adversely affect the Group's performance and future development.

Rental expenses form a large part of the Group's operational costs, particularly for its pawnbroking business and retail business. Therefore, any substantial increase in rental expenses may have an adverse impact on the Group's profitability.

The accessibility of the Group's stores may be affected by regulatory changes

The Group's pawnbroking business and retail business are highly dependent upon the accessibility of its stores. Therefore, the Group endeavours to establish its stores in prime locations with high traffic volume and which are easily accessible to the public. However, in the event of changes to rules and regulations, such as public health and safety rules, access routes to the Group's stores may be affected. This may result in a decrease in revenue for such stores (which may have high operating costs, such as high rental rates) and in turn result in losses to, or a decline in profits of, the Group. In addition, changes to rules and regulations which restrict the concentration of pawnshops in a particular location could adversely affect the Group's ability to locate its stores in prime locations with high traffic volume and which are easily accessible to the public. If the Group's stores are located in less favourable areas, this may affect the Group's business and expansion plans.

The growth and success of the Group is dependent on its continued ability to attract and retain skilled and qualified personnel

The Group considers retaining skilled and qualified personnel in all business segments to be one of the key factors for its growth and success. In particular, the Group requires a large number of capable staff to fill the appraisal, sales and management positions for its existing stores and any new stores to be opened by the Group in future. The Group may face difficulties in recruiting or retaining suitable personnel, in particular, those with extensive experience and knowledge in pawnbroking and the retail business. If the Group fails to maintain or expand its team of personnel or timely and suitably replace any loss of such skilled and qualified personnel, its operations and financial performance may be adversely affected and it may not be able to implement its future expansion plans effectively.

There is no assurance that the growth of the Group will be sustainable

Apart from the Group's development plans and business strategies, other factors such as intense market competition and consumer preferences, which are beyond its control, may also affect its growth. There is no assurance that the Group will be able to achieve or maintain similar levels of growth in revenue and profit in the future. The past results of the Group should therefore not be used as a measure of its future performance.

The Group may face uncertainties associated with the expansion of its business

The successful implementation of the Group's growth strategies depends on, amongst others, its ability to identify suitable sites for new stores as well as strengthen its brand recognition through its brand management and marketing strategies. There can be no assurance that the Group will be able to execute its growth strategies successfully. If the Group fails to manage its expansion plans and the related risks and costs, or if the Group encounters any unexpected complications, delays, difficulties or expenses in relation to its expansion of operations, its business and financial performance may be adversely affected.

In addition, any restriction or delay in the issue of licences for new pawnshops, the approval for the sale of new jewellery in pawnshops, the issue of licences or the grant of an exempt status for the dealing in pre-owned goods may impede the Group's business expansion.

The Group is reliant on its "Maxi-Cash", "Dr. Pajak", "Lee Hwa", "Goldheart", "Niessing" and "BigFundr" brand names

The Group markets its pawnbroking and retail businesses under its "Maxi-Cash" brand name. The Group also markets and sells jewellery products mainly under its "Lee Hwa", "Goldheart" and "Niessing" brands, its pawnbroking business in Malaysia under its "Dr. Pajak" brand, and its secured lending business in Singapore under the "BigFundr" brand. The Group believes that its business will depend in part on increasing brand recognition amongst customers. In relation to the

Group's jewellery products that are marketed and sold under its "Lee Hwa", "Goldheart" and "Niessing" brands, brand recognition in turn depends on factors such as the design, distinct character and quality of its products, the image of its stores, its communication activities including advertising, public relations and marketing and its general corporate profile. Failure to maintain brand recognition, the image of its brand name and the quality standards associated with its brand name may have a material adverse impact on the Group's business and financial performance.

Intellectual property rights may be costly and difficult to enforce and the Group may not be able to renew its intellectual property rights or may be subject to claims for infringement of third parties' intellectual property rights

The Group has registered select trademarks and designs in Singapore, Australia, Malaysia, Hong Kong, China, Germany and Switzerland. Effective enforcement of intellectual property rights is important for the protection of the Group's interests as it considers the recognition of its trademarks, brands and designs to be vital to its business and in the sale of its products. Unauthorised use of the Group's trademarks, brands and designs may damage the brand recognition and reputation of the Group. Although the Group has registered its trademarks and designs, it may be possible for third parties to unlawfully pass off their products as products of the Group or to infringe upon the Group's intellectual property rights in the design and/or manufacture of their products and/or in the conduct of their business. In the event that third parties infringe upon the Group's intellectual property rights in respect of its trademarks and designs (for example, by unlawfully passing off their products as products of the Group or imitating or using the Group's trademarks and designs without its authorisation), the Group may face considerable difficulties and costly litigation in order to protect these intellectual property rights and this may in turn affect its reputation, business and financial performance.

In addition, there is no assurance that the Group will be able to renew its intellectual property rights upon their expiry. In the event that the Group is unable to do so, its business and financial performance may be adversely affected.

Further, while taking care not to do so, the Group may, in the course of its business, inadvertently infringe upon registered trademarks or other intellectual property rights belonging to third parties. In such an event, the Group may be subject to legal proceedings and claims relating to such infringement. Any claims or litigation involving infringement of intellectual property rights of third parties, whether with or without merit, could result in a diversion of the Group's management time and resources, and its business operations may be materially and adversely affected. In addition, any successful claim against the Group arising out of such proceedings could result in substantial monetary liability and may materially affect the Group's reputation and the continued sale of the affected products and consequently, the Group's financial performance.

Competition in the industries in which the Group operates is intense and any failure by the Group to compete could result in it losing market share and revenue

The industries in which the Group operates are highly competitive. The Group competes with major pawnshops and retail chains, as well as other smaller players who operate individual pawnshops or retail outlets dealing in jewellery and branded merchandise. Additionally, the Group's competitors in relation to the jewellery industry in the various jurisdictions in which the Group operates in include specialty-branded retail shops, department stores, major chain stores and international retailers, which offer jewellery and other related products. The jewellery industry players compete with one another based on, amongst other things, product variety, product design, image of stores, advertising and marketing, product quality and price. There is no assurance that the Group will be able to maintain its competitive edge in the future in light of the changing and competitive market environment. Increasing competition in the jewellery industry may also affect the pricing and profitability of the Group's products. If the Group does not successfully compete against its competitors, its results of operations may be materially and adversely affected.

The Group may face uncertainties and complications associated with digitalising and innovating its business

The Group may face uncertainties and complications associated with digitalising and innovating its business and continually adopting new technology and digital solutions. With digitalisation transforming the way services are delivered to customers, the Group has to react to new technologies, evolving digital trends and changing market demand in order to stay relevant and competitive. The Group may need to innovate new services, develop new software, develop enhanced versions of existing software, mobile applications, technology and user interface to incorporate additional features and improve functionality, all of which may require significant resources. There is no assurance that the Group's implementation of digital and innovative solutions will always be well received by its customers or that such digitalisation and innovation will be successful in providing the Group with a significant competitive advantage by differentiating its products and services from those of its competitors.

Any failure to successfully digitalise and innovate the Group's business may affect the Group's ability to remain relevant and competitive, cause its customers to lose confidence in the Group and in turn materially and adversely affect the Group's business growth and results of operations.

The Group is reliant on information technology systems and networks and any weakness, interruption or failure of the information technology systems used in its operations could materially and adversely affect its business, operations and reputation

The Group relies on information technology systems and networks, including the Internet, for the processing, transmission and storage of information electronically and for the management or support of its various business processes, including the maintenance of records and the execution of financial transactions, which potentially include personally identifiable information of its customers. The Group also provides services via the Internet and mobile, and utilises online platforms which are Internet-based and mobile-based, including its various e-commerce websites, other software or mobile applications such as the Maxi-Cash App. The provision of services over the Internet as well as the operation of online platforms exposes the Group to potential technological failures which may impact customer accounts and services. For instance, the Group's online systems, including its websites and other software applications, products and systems could contain undetected errors, or "bugs", that could adversely affect the performance of such systems. Furthermore, computer malware and hacking may cause delays or other service interruptions on the Group's systems. While the Group regularly updates and enhances its websites and other online systems and introduces new versions of its software products and applications to mitigate the risks of undetected errors and other technological risks, has dedicated information technology teams, maintains various anti-malware and computer protection software, and takes steps to protect the security of the data maintained in its information systems, there is no assurance that such protections will successfully prevent interruption in access or damage to the Group's websites, "Maxi-Cash App", software systems and databases, disruptions to its business activities (including to its email and other communications systems), breaches of security (including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches), or inadvertent disclosure of confidential, personal or sensitive information such as in the event of cyberattacks, phishing and malicious software such as ransomware.

Any failure or weakness in the Group's information technology systems, including any disruptions due to upgrades or new systems, may result in a delay in or an interruption of, or unsatisfactory delivery of, services, as well as the corruption or loss of data or confidential information of its customers. The occurrence of any of the above events may also result in inconvenience to the Group's customers, thus adversely affecting the Group's operations, brand and reputation and causing its customers to lose confidence in the Group. Any such occurrence or the failure to maintain confidentiality of personal information will also subject the Group to liability under data protection laws or breach of confidentiality provisions, which may in turn subject the Group to liability claims, litigation, fines, regulatory sanctions or penalties which individually or in the aggregate could be costly.

In May 2023, one of the Group's brands, "Goldheart", had their e-commerce website compromised due to illegal access. Personal information, such as the name, address, email address, date of birth and phone number, of close to 42,000 e-commerce customers prior to November 2022 was compromised as a result of illegal and suspicious activities from an external party that targeted "Goldheart"'s e-commerce website. However, financial data such as credit card information or passwords were not accessed or retrieved by hackers. Due to the nature of the compromised data, the Group believes that there is limited risk of fraudulent activity for those affected in this incident. Notwithstanding, all affected customers were informed to take all necessary precautions, including ensuring that emails received are from legitimate senders and reviewing email links carefully.

While the aforementioned incident was, in the Group's opinion, minor, given that the information compromised was not critical and the incident did not result in any major adverse effect for the Group, there is no assurance that incidents of a more serious nature will not occur in the future. Such incidents may result in the Group being liable under data protection laws and/or subjected to regulatory actions or penalties, which could in turn have an adverse impact on the Group's business, operations and reputation. Further, while the Group continues to diligently enhance its security measures as well as implement further safeguards in its efforts to prevent the occurrence of similar incidents, there is no assurance that such cybersecurity or data breach incidents would not reoccur in the future.

The occurrence of any other major disruptions could also decrease the quality of the Group's services and may cause the Group to lose market share, damage its reputation and brand name and adversely affect the Group's business.

The Group's insurance coverage may not adequately protect the Group against certain operational risks

The Group maintains general insurance policies, where practicable, covering both its assets and employees, in line with general business practices in the pawnbroking and retail business industries, with policy specifications and insured limits which the Group believes are reasonable.

The occurrence of certain incidents, including fraud or other misconduct committed by its employees or third parties, fire, severe weather conditions, war, flooding and power outage, and the consequences resulting therefrom may not be covered adequately, if at all, by its insurance policies. If the Group incurs substantial liabilities which are not covered by its insurance policies, or if its business operations are interrupted for more than a short period of time, the Group may incur expenses and losses that could materially and adversely affect its operating results.

Natural calamities and/or any outbreak of infectious or widespread communicable diseases or other serious public health concerns could materially and adversely affect the Group's business, financial condition and results of operations

Natural calamities and/or the outbreak of communicable diseases could result in volatility in international capital markets and adversely affect Singapore and other economies. Any outbreak of infectious or widespread communicable diseases and other serious public health concerns, including epidemics and pandemics, in the region or around the world, including, but not limited to, COVID-19, Ebola, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, Influenza A (H1N1) or the Zika virus, could have a negative impact on the Singapore economy and other regional economies. There can be no assurance that any precautionary measures taken by the Group against any natural calamities and/or communicable diseases would be effective. Further, any material change in the financial markets or economies of Singapore or the regions in which the Group operates in or relies on as a result of these natural calamities and/or outbreak of communicable diseases, including, but not limited to, a global economic crisis or recession, may in turn materially and adversely affect the Group's business, financial condition and results of operations.

In particular, the outbreak of COVID-19 has resulted in disruptions to travel and retail segments, tourism and manufacturing supply chains, imposition of quarantines and prolonged closures of workplaces, which triggered a global downturn and economic contraction, as well as increased volatility in international capital markets in 2020 and 2021. In the various countries the Group operated in, multiple lockdowns affected the Group's ability to operate its physical stores for periods of time, and government-implemented measures (such as foot traffic restrictions in retail malls, constraints on group sizes and restrictions on dining-in at food and beverage establishments) directly affected the Group's retail businesses due to a significant drop in footfall. While there have been signs of global economy recovery further to the easing of COVID-19 restrictive measures globally, there is no assurance that global economic activity will be restored to pre-pandemic levels.

Further, although COVID-19 is no longer a global health emergency and many countries including Singapore have transited from a pandemic into an endemic state of COVID-19, uncertainty as to the duration and development of the COVID-19 pandemic remains due to the possible emergence of new COVID-19 variants or mutant strains of the virus and the resurgence or occurrence of subsequent waves of outbreak of COVID-19. The re-imposition of tight border control and disruptions and restrictions on movement and economic activities may occur should variants of COVID-19 evolve, leading to prolonged production and supply-chain disruptions, and delay the restoration of business confidence. While the successful development and administration of COVID-19 vaccines worldwide has brought the pandemic under control, there is no assurance that the vaccines will remain effective against new COVID-19 variants, the development and administration of new COVID-19 vaccines will be effective in containing new or existing COVID-19 variants, or that countries will not resume their COVID-19 pandemic and restrictive measures to contain new outbreaks.

As the future development of the COVID-19 pandemic, any future natural calamity or outbreak of any other infectious or widespread communicable disease is fluid, evolving and unpredictable, it is difficult to predict the duration and extent to which such conditions will exist, whether such conditions would result in protracted volatility in international markets and/or prolonged global economic crisis or recession, and the extent to which the Group's business, financial condition, results of operations and prospects may be affected by such conditions.

Changes in the economic, political and social conditions of Singapore and the policies adopted by the Singapore government may adversely affect the Group's business, growth strategies, financial condition and results of operations

The Group's revenue is mainly derived from its operations in Singapore. As a result, the Group's business is subject to the economic and social developments in Singapore. Changes in the economic, political and social conditions or the relevant policies adopted by the Singapore government, such as changes in laws and regulations (or the interpretation thereof) or restrictive financial measures, could have adverse effects on the overall economic growth of Singapore and the industries in which the Group operates, which could in turn hinder its current or future business, growth strategies, financial position and results of operations.

The Group recognises that such risks and changes in economic, political and social conditions can never be eliminated totally and that the cost of mitigating these risks could be high.

Changes in economic and geopolitical conditions around the world could adversely affect the business of the Group due to increased uncertainty and instability in global market conditions and the general economy

In recent years, the global financial system has suffered considerably from uncertainty and turbulence, thereby resulting in great uncertainty in expectations relating to the global economy's performance in the short-term to medium-term. Such uncertainty may affect consumer confidence, in turn causing instability in global market conditions.

The Group's business may be materially and adversely affected by local and global developments in relation to inflation, bank interest rates, government policies and regulations and other conditions which impact on social, economic and political stability.

In recent times, the United States and many other economies have experienced high inflation rates and high interest rates – in 2022, there was a swift increase in the interest rate environment in light of inflationary pressures and hawkish monetary policy. In particular, the U.S. Federal Reserve adopted a 0.75-percentage point rate rise in each of June, July, September and November 2022, which was its largest interest rate raise at the time in close to 30 years. Subsequently, the U.S. Federal Reserve raised interest rates by a more moderate 0.25-percentage points in each of February, March, May and July 2023, and has since maintained this interest rate environment, with a cautious outlook for the foreseeable future. Other central banks have also followed suit, adopting significant rate increases. Concerns that persistent inflation and interest rate hikes will continue to further depress the economy remain, causing uncertainty in the outlook for the U.S. and other countries.

Further, the global credit markets have, in recent times, experienced volatility and liquidity disruptions, resulting in the failure, near failure or consolidation of several institutions in the banking and insurance industries. The recent insolvencies, bank runs, and/or failures of certain banks in the U.S. and in Europe have also caused greater uncertainty in the global markets, brought about concerns regarding the potential liquidity risks of the global banking system, and potentially resulted in the deterioration of market liquidity.

The Group has no control over such conditions and developments and there is no assurance that such conditions and developments will not occur and adversely affect the Group's business.

Heightened geopolitical risks have also continued to emerge globally. The consequences of such geopolitical events globally are unpredictable, and these could undermine the stability of global economies and increase uncertainty in the global economic outlook. Greater volatility to foreign exchange, global financial markets and the global economy due to increased uncertainty and instability may result in a general global economic downturn or recession, which could have a material adverse effect on the Group's business, financial condition and results of operation. Such geopolitical risks arising from the global macroeconomic environment include, among others:

(a) the Russia-Ukraine War, which was launched by Russia on 24 February 2022 through a large-scale military action against Ukraine, has not only led to increased tensions and military activity in the Baltic Sea but also caused significant humanitarian crisis in Ukraine and the broader Europe. As a result, global commodity and financial markets have also been negatively impacted, leading to material increases in the prices of energy, oil, gas, certain agriculture inputs and other raw materials, and in turn, heightened inflationary pressures. The effects of Russia's military actions on global commodity and financial markets remains uncertain and could potentially precipitate in a recession in certain segments of the global economy. Additionally, a persisting or escalating conflict could continue to further drive up the costs of living and commodity price;

(b) the recent outbreak of conflict in the Middle East between Israel and Iran and the Israel-Hamas armed conflict in Gaza, which, in each case, may result in heightened tensions and further outbreak of conflicts in the Middle East, and which could lead to disruptions in global trade as well as the imposition of trade and economic sanctions. Furthermore, the US-Iran negotiations in relation to the revival of a nuclear agreement have been unsuccessful, and any disruption of oil shipments from the Persian Gulf may result in upside risk to oil prices;

(c) the ongoing trade war between China and the U.S. as well as the deteriorating U.S.-China relationship which has caused concerns relating to the outlook of the U.S. and China economies;

(d) the increased nuclear capabilities of Iran and North Korea;

(e) the maritime claims in the South and East China Seas; and

(f) tensions between China and Taiwan.

Increased political instability and social unrest (such as the threat or occurrence of terrorist attacks) and enhanced national security measures, whether resulting from the abovementioned events or otherwise, and the resulting decline in consumer confidence, whether locally or overseas, may have had and may continue to have an adverse effect on the world economy in general, and consumer confidence and spending in particular, which could in turn adversely affect the Group's business and results of operations. Further, the effect of these events on global financial markets may limit the capital resources available to the Group.

There is also uncertainty as to the strength of the global economy, the potential for slowdown in consumer demand and the impact of the global downturn on the Singapore economy and/or any of the economies in which the Group operates. In addition, such uncertain and unfavourable economic and political conditions could have an adverse effect on growth and financial performance in trade-exposed economies such as Singapore. These factors could contribute to an economic decline in Singapore and/or any of the economies in which the Group operates, which may in turn adversely affect the Group's results of operations and future growth.

The Group may be exposed to security and transport risks

A large proportion of the Group's business transactions relates to gold, jewellery and branded merchandise. The Group has established security and cash management measures at its head office and at each of its outlets, as well as for the transport of its inventory.

However, there can be no assurance that the Group will not be subject to theft, pilferage or misappropriation, whether by third parties or by its own personnel. In such event, the Group may be subject to loss and/or damage, may incur significant increases in insurance premiums, and its reputation, business and operations may be materially and adversely affected.

The Group may not be successful in its expansion into businesses that are complementary to its current business

The Group may explore and/or pursue expansion opportunities into new businesses complementary to its current business. Expansion into new businesses may involve numerous risks, including but not limited to, the financial costs of setting up operations and working capital requirements. There is no assurance that these new businesses will achieve results that are commensurate with the Group's investment costs or that the Group will be successful in its expansion into such new businesses. There can also be no assurance that the Group's new businesses will generate sufficient revenue to cover its operational costs. If the Group is unable to implement its expansion plans or manage its operational costs effectively, or if there is a lack of demand for its services, the Group's business, results of operation and financial position may be adversely affected.

The Group's business is subject to general business risks

The Group's business is subject to general business risks including but not limited to:

(a) civil unrest, military conflict, terrorism, change in political climate and general security concerns and their adverse effects on business;

(b) global recession and its effects on the performance of the economies where the Group operates; and

(c) changes in laws and government regulations (or the interpretation thereof) or restrictive financial measures that increase operating costs or restrict business.

These general business risks could have adverse effects on the overall economic growth of the countries in which the Group operates which could consequently hinder the Group's current or future business, growth strategies, financial position and results of operations.

It is recognised that such risks can never be eliminated totally and that the cost of mitigating these risks could be high.

RISKS RELATING TO THE GROUP'S RETAIL BUSINESS

The Group's jewellery sales may be subject to fluctuations in market prices of gold and other precious metals and gems

The Group's jewellery sales are susceptible to variations in the market prices of gold and other precious metals and gems. Any sharp appreciation in the prices of gold and other precious metals and gems may cause a similar increase in the price of the finished products, which may affect consumer demand. Similarly, depreciation in the prices of these raw materials may induce higher demand. On the other hand, any forecasted depreciations in the prices of gold and other precious metals and gems may cause a decrease in demand amongst consumers who purchase jewellery for investment purposes.

Obsolete or slow-moving inventory may adversely affect the financial position and profitability of the Group

The Group's retail business is highly dependent on consumer preferences. If the products of the Group fail to meet the changing trends of the market and consumers' tastes, the Group may face the risk of obsolete or slow-moving inventory. If the Group is unable to source for or manufacture products that suit consumers' tastes, the volume of obsolete and slow-moving inventory may increase and the Group's financial position and profitability may be adversely affected.

Any shortage in the sufficient and continual supply of goods, including good quality gems, may adversely affect the Group's business, financial condition and results of operations

The Group's retail business is dependent on the number of customers seeking to trade-in their goods. Any sudden shortage of supply or reduction in the inventory available to the Group from its customers may adversely affect its operations and financial position and/or result in the Group having to pay a higher cost for these pre-owned goods.

Further, the jewellery products designed and offered by the Group consist largely of gems. The sales volume and operation results of the Group may be adversely affected if the gems supplied by its suppliers fail to meet the Group's requirements, in particular, requirements in relation to the size and quality standard of the gems. The ability of the Group to meet the demands of its customers may also be adversely affected if its major suppliers are unable to supply a sufficient quantity of gems to the Group on a timely basis. This may in turn affect the operations and financial performance of the Group.

The retail of new jewellery may also be affected by third-party production. The Group sources some of the new jewellery from third-party manufacturers overseas. Additionally, while the Group develops, controls and produces the majority of its prototypes in-house, it outsources the production of most of its jewellery products under the "Lee Hwa" and "Goldheart" brands to external manufacturers with the appropriate expertise and capacity. The Group has established a rigorous inspection and quality-control process for all outsourced production and contractually requires all third-party manufacturers to comply with intellectual property protections and confidentiality restrictions in addition to all applicable labour, social security and health and safety laws and regulations. However, the inability of third-party manufacturers to ship orders in a timely and appropriate manner or to comply with their contractual obligations could have a negative impact on the Group's operations and business of retailing new jewellery. Similarly, if the Group expands beyond the production capacity of its current suppliers, it may not be able to find new suppliers with an appropriate level of expertise and capacity in a timely manner. If any of these risks were to develop into actual events, the business, financial condition and results of operations of the Group may be adversely affected.

RISKS RELATING TO THE GROUP'S PAWNBROKING BUSINESS

Changes in interest rates may affect the Group's profitability

The Group's pawnbroking business involves extending short-term collateralised loans to customers. The interest that the Group is able to charge on these short-term loans is regulated by the Pawnbrokers Act 2015 in Singapore and the Pawnbrokers Act 1972 in Malaysia. As at the Latest Practicable Date, the maximum interest rate chargeable on such short-term collateralised loans is 1.5% per month in Singapore and 2% per month in Malaysia. Accordingly, increases in general interest rates and the Group's costs of funds may materially and adversely affect its profitability, financial performance and results of operations.

The Group may not be able to recover the full loan amount extended to its customers and the value of the collateral may not be sufficient to cover the outstanding amounts due

Failure by the Group's employees to properly appraise the value of the collaterals or pledged articles may result in it incurring losses on these loans. Any failure to recover the full amount of the loan through the sale of unredeemed pledges could expose the Group to a potential loss if the loan that was extended based on the initial appraised value is higher than the realised value of the collateral or pledged article. Any such losses arising from significant differences in the value of its loan portfolio may adversely affect its financial position and results of operations.

RISKS RELATING TO THE GROUP'S SECURED LENDING BUSINESS

The Group's secured lending business is subject to credit risks

The profitability of the secured lending business is dependent on the Group's ability to recover the full loan amount extended to its borrowers, whether through timely repayments from its borrowers or through realising the value of the collateral on such loans. The Group faces the risk that its borrowers may default on credit which the Group may grant to them. The Group has established policies to evaluate, monitor and control credit risks on a continuous basis. The Group's loans are subject to the stringent process of credit evaluation and its loans are secured by collaterals. The Group conducts credit reviews periodically to monitor the health of these accounts and to detect early signs of weaknesses and deviations. However, notwithstanding the ongoing measures set out above, there can be no assurance that the Group will be able to effectively control or evaluate its credit risks, or ensure that its loans are sufficiently secured or backed by collaterals. The inability of the Group to recover all or part of the value of such credit may adversely affect the performance of the Group's secured lending business and consequently, may affect the Group's working capital, results and financial condition.

The Group's secured lending business is subject to foreign exchange risks

The Group currently conducts part of its secured lending business overseas. While the Group's functional and reporting currency is in Singapore dollars, some of its secured loans to borrowers are made available in foreign currency. To the extent that the Group's secured loans to borrowers are not made in Singapore dollars, and to the extent that there are fluctuations in the relevant foreign exchange rates between the date of provision of the secured loans and the date of repayment on the loans, any significant adverse fluctuations of the Singapore dollar against the foreign currency in which the Group's secured loans are denominated may have a material adverse impact on the Group's working capital, revenue and financial results.

The Group intends to closely monitor its foreign exchange exposure by periodically reviewing the exchange rates between the Singapore dollar and any foreign currency under which the Group's secured loans are denominated. The Group generally enters into contracts or arrangements to hedge its foreign exchange exposure. However, there is no assurance that the Group will be able to effectively guard its operations against such foreign exchange risks, and any adverse fluctuations of the Singapore dollar against the foreign currency of the secured loans will adversely affect the financial performance of the secured lending business and the Group.

The secured lending business in Singapore may be subject to regulatory inspections and audits

The Group may receive inquiries from regulators or authorities in relation to its compliance with laws, regulations and other matters including statutory requirements and notices and licence conditions. The scope and frequency of such inquiries are at the discretion of the relevant regulator or authority. The MAS has the power to conduct audits and inspections on certain aspects of the Group's business in secured lending in Singapore, including the Group's business activities, compliance, operations, products, services, and practices. There is no assurance that such regulatory audits or inspections will not require the Group to make changes in its practices and/or policies.

Further, in the event that the regulators or authorities arrive at findings of any non-compliance or violation of legislation, regulations or orders by the Group, the Group may be subjected to reprimands, substantial fines, warning, suspension or revocation of licences and other penalties, which could in turn result in the Group's business, financial condition, results of operations and prospects being materially and adversely affected.

There is also no assurance that the regulators or authorities would not issue orders on or initiate enforcement actions against the Group, and any such orders or enforcement actions could require the Group to change its business practices and/or policies, which may result in the Group incurring substantial costs, thus materially and adversely affecting the Group's business, financial condition, results of operations, prospects and profitability.

The Group's secured lending business in Singapore and the fund management companies involved in such secured lending business operate in the securities and financial services industry and any change in the regulatory landscape in the industry will result in the alteration of their relationship

In recent years, the securities and financial services industry has been subject to increasing and changing regulations. Any changes in the regulatory landscape or conditions of the securities and financial services industry in Singapore or in the countries in which the fund management companies operate will directly impact the Group and the fund management companies, as well as alter the relationship between the Group and the fund management companies in a way that would have material and adverse effects on the Group's business, financial condition, results of operation and prospects.

For instance, any change in regulations may have impacts on the demand for or supply of the secured lending business' investment products, or affect its customers' willingness to deal with the Group. The Group could also be required to alter or limit its real estate-backed loans to comply with regulatory requirements. Such changes, or any other change in the present laws and regulations or any introduction of new laws and regulations could materially and adversely affect the Group's business, financial condition, results of operation and prospects.

ADDITIONAL RISKS RELATING TO THE GROUP'S BUSINESS OVERSEAS

The Group is subject to general risks associated with doing business overseas

There are general risks inherent in doing business overseas. These include but are not limited to unexpected changes in regulatory requirements, potential economic instability, difficulties in staffing and managing foreign operations, potential imposition of restrictions on foreign participation, fluctuations in currency exchange rates, potentially adverse tax consequences, potentially inadequate local infrastructure and utilities supply, legal uncertainties regarding liability and enforcement, potential increase in protectionist measures, and changes in local laws and controls on the repatriation of capital or profits. The occurrence of any of these events may have a material adverse effect on the business, financial condition and results of operations of the Group.

The Group is also affected by the political risks in the countries where it operates. Wars, unsettled political conditions, social unrest, riots, piracy, terrorist attacks and government actions may adversely affect the Group's operations, the demand for its services and/or its ability to carry on its business. If such risks develop into actual events, the operations and profitability of the Group may be adversely affected.

Changes in the economic, political, social and regulatory conditions of the countries (outside of Singapore) in which the Group operates may adversely affect the Group's business, growth strategies, financial position and results of operations

The Group's overseas business, growth strategies, financial position and results of operations may be materially and adversely affected by changes in the economic, political, social and regulatory conditions of the countries in which it operates, including but not limited to:

(a) political unrest and economic instability;

(b) changes in laws and regulations;

(c) imposition of restrictions on currency conversion and overseas remittance;

(d) imposition of restrictions on foreign participation;

(e) uncertainty related to developing legal and regulatory systems;

(f) increase in protectionistic measures; and

(g) changes in the rate and method of taxation.

The Group has limited experience in Germany, Switzerland, China, Australia, Malaysia and Hong Kong

The Group has expanded its pawnbroking and retail businesses into the region such as Malaysia since 2019. Upon the completion of its acquisition of Niessing Group Pte. Ltd., the Group's retail business also has a presence in Germany, Switzerland, China, Malaysia, Hong Kong, and Australia in 2024. Due to the Group's limited experience in these industries in Germany, Switzerland, China, Australia, Malaysia and Hong Kong, it may not be able to anticipate market changes or identify opportunities on a timely basis. Accordingly, its limited experience may not provide sufficient basis for investors to evaluate its business, financial performance and prospects in Germany, Switzerland, China, Australia, Malaysia and Hong Kong. If it is unable to anticipate market changes or identify opportunities on a timely basis in these countries, this may have a material adverse effect on its business, financial performance and prospects.

The Group may be exposed to risks associated with fluctuations in foreign exchange rates and changes in foreign exchange regulations

Because of the geographic diversity of its business, the Group receives or will receive income and incur expenses in a variety of currencies, including but not limited to Singapore Dollar, Australian Dollar, Malaysian Ringgit, Hong Kong Dollar, Euro, Swiss Franc, Japanese Yen, and Chinese Yuan. While the proportion of exposure to the above-mentioned currencies, save for the Malaysian Ringgit and the Australian Dollar, may not be significant, the Group's financial statements are presented in Singapore Dollars. Consequently, its costs, profit margins and asset values are affected by fluctuations in the exchange rates among the above-mentioned currencies. The Group cannot predict the effect of future exchange rate fluctuations on its assets, liabilities, income, cost of sales, expenses and margins. The weakening of non-Singapore dollar currencies in the countries in which the Group operates may adversely affect its financial condition and results of operations. The Group may also be subject to the imposition or tightening of exchange control or repatriation restrictions and may encounter difficulties or delays in relation to the receipt of profits due to such exchange controls existing in the jurisdictions in which it operates.

USE OF PROCEEDS

The net proceeds arising from the issue of the Notes under the Programme (after deducting issue expenses) will be used for general corporate purposes, including, but not limited to, refinancing or repayment of existing borrowings and financing of investments, acquisitions, expansions, working capital and/or capital expenditure requirements of the Group or such other purposes as may be specified in the relevant Pricing Supplement.

CLEARING AND SETTLEMENT

Clearing and Settlement under the Depository System

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a Global Note for persons holding the Notes in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Notes through the Depository System may be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Trustee, the Principal Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Clearing and Settlement under Euroclear and/or Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Payments of principal or interest with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Principal Paying Agent or, as the case may be, the Non-CDP Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

Clearing and Settlement under Other Clearing System(s)

For Notes to be cleared through a clearing system other than Euroclear, Clearstream, Luxembourg and/or CDP, the clearance and settlement of such Notes will be effected in accordance with the relevant clearing system's documentary requirements and procedures.

SINGAPORE TAXATION

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and e-tax guides issued by the MAS and IRAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or e-tax guides, or the interpretation of those laws, guidelines or e-tax guides, occurring after such date, which changes could be made on a retroactive basis, including amendments to the Income Tax (Qualifying Debt Securities) Regulations to include the conditions for the income tax and withholding tax exemptions under the qualifying debt securities ("**QDS**") scheme for early redemption fee (as defined in the ITA) and redemption premium (as such term has been amended by the ITA). It should be noted that as at the date of this Information Memorandum, the Income Tax (Qualifying Debt Securities) Regulations have not been amended to reflect the amendments made to the ITA in respect of the QDS scheme pursuant to the Income Tax (Amendment) Act 2023. These laws, guidelines and e-tax guides are also subject to various interpretations or conclusions set out below and no assurance can be given that the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. The following is a summary of the material tax consequences to a holder of the Notes. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. The statements made herein should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Holders and prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arranger or any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.*

1. TAXATION RELATING TO INTEREST AND OTHER PAYMENTS ON THE NOTES

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore, unless specifically exempted. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is the prevailing corporate tax rate, currently 17.0 per cent. The applicable rate for non-resident individuals is currently 24.0 per cent.

However, if the payment is derived by a person not resident in Singapore from sources other than from its trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium from debt securities, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

The terms "**related party**", "**early redemption fee**" and "**redemption premium**" are defined in the ITA as follows:

"**related party**", in relation to a person (*A*), means any person (a) who directly or indirectly controls *A*; (b) who is being controlled directly or indirectly by *A*; or (c) who, together with *A*, is directly or indirectly under the control of a common person;

"**early redemption fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities; and

"**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities.

References to "related party", "early redemption fee" and "redemption premium" in this Singapore tax disclosure have the same meaning as defined in the ITA.

In addition, as the Programme as a whole was arranged by DBS Bank Ltd., which was a Financial Sector Incentive (Capital Market) Company or Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) at such time and is a Specified Licensed Entity (as defined below), any tranche of the Notes (the "**Relevant Notes**") issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2028 would be QDS for the purposes of the ITA, to which the following treatment shall apply:

(i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require, and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively, the "**Qualifying Income**") from the Relevant Notes, paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operations through a permanent establishment in Singapore, are exempt from Singapore income tax;

(ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), Qualifying Income from the Relevant Notes paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore, other than any non-resident who qualifies for the tax exemption as described in (i) above, is subject to income tax at a concessionary rate of 10.0 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

(aa) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

(bb) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

(A) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50.0 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and

(B) even though a particular tranche of Relevant Notes are QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50.0 per cent. or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Notes held by:–

(i) any related party of the Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

Pursuant to the ITA, the reference to the term "**Specified Licensed Entity**" above means:

(a) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;

(b) a finance company licensed under the Finance Companies Act 1967 of Singapore;

(c) a person who holds a capital markets services licence under the SFA to carry on a business in any of the following regulated activities:

(i) advising on corporate finance; or

(ii) dealing in capital markets products; or

(d) such other persons as may be prescribed by rules made under Section 7 of the ITA.

Where interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Notwithstanding that the Issuer is permitted to make payments of interest, discount income, early redemption fee or redemption premium (i.e. Qualifying Income) in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

2. CAPITAL GAINS

Any gains considered to be in the nature of capital made from the sale of the Notes will generally not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

There are no specific laws or regulations which deal with the characterisation of capital gains. The characterisation of the gains arising from a sale of the Notes will depend on the individual facts and circumstances of the holder and relating to the sale of the Notes.

Holders of the Notes who apply or who are required to apply Singapore Financial Reporting Standard ("**FRS**") 109 or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be) may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes in accordance with FRS 109 or SFRS(I) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of the Notes is made. Please see the section below on "Adoption of FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes".

3. ADOPTION OF FRS 109 OR SFRS(I) 9 TREATMENT FOR SINGAPORE INCOME TAX PURPOSES

Section 34AA of the ITA requires taxpayers who adopt or who are required to adopt FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. IRAS has also issued an e-tax guide entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Notes who may be subject to the tax treatment under Section 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. ESTATE DUTY

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

SUBSCRIPTION, PURCHASE AND DISTRIBUTION

The Programme Agreement provides for Notes to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Issuer and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe for or procure subscribers for Notes from the Issuer pursuant to the Programme Agreement.

The Arranger, the Dealers or any of their respective affiliates may have performed certain banking and advisory services for the Issuer and/or its affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuer and/or its affiliates in the ordinary course of the Issuer's or its affiliates' business. The Issuer may from time to time agree with the relevant Dealer(s) that the Issuer may pay certain third party commissions (including, without limitation, rebates to private banks as may be specified in the applicable Pricing Supplement).

The Dealers or certain of their respective affiliates may purchase the Notes and be allocated the Notes for asset management and/or proprietary purposes but not with a view to distribution.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Dealer or its affiliate on behalf of the Issuer in such jurisdiction.

In connection with the issue of any Tranche of Notes, such Notes, when issued, may not have a market. The Dealer or Dealers (if any) may advise the Issuer that they intend to make a market in such Notes as permitted by applicable law. They are not obligated, however, to make a market in the Notes and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for such Notes.

The Arranger, the Dealers or any of their respective affiliates may purchase Notes for its own account or enter into secondary market transactions or derivative transactions relating to the Notes, including, without limitation, purchase, sale (or facilitation thereof), stock borrowing or credit or equity-linked derivatives such as asset swaps, repackaging and credit default swaps, at the same time as the offering of the Notes. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Information Memorandum relates (notwithstanding that such selected counterparties may also be a purchaser of the Notes). As a result of such transactions, the Arranger, the Dealers or any of their respective affiliates may hold long or short positions relating to the Notes. The Arranger, the Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer and/or its subsidiaries, jointly controlled entities or associated companies from time to time. The Arranger, the Dealers or any of their respective affiliates have received, or may in the future receive, customary fees and/or commissions for these transactions. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Issuer or its subsidiaries, jointly controlled entities or associated companies, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Notes. Notes issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution. Accordingly, references herein to the Notes being "offered" should be read as including any offering of the Notes to the Arranger, the Dealers and/or their respective affiliates for their own account. Such entities are not expected to disclose such transactions or the extent of any such investment, otherwise than in accordance with any legal or regulatory obligation to do so.

While the Arranger, the Dealers and/or any of their respective affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause the Arranger, the Dealers or any of their respective affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. The Arranger, the Dealers or any of their respective affiliates may receive returns on such transactions and have no obligations to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes.

United States

The Notes have not been and will not be registered under the Securities Act and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed that, and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Programme Agreement, it has not offered or sold and it will not offer, sell or deliver the Notes of any Series (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Principal Paying Agent or, as the case may be, the Non-CDP Paying Agent by such Dealer (or, in the case of an identifiable tranche of Notes sold to or through more than one Dealer, by each of such Dealers with respect to Notes of an identifiable tranche purchased by or through it, in which case the Principal Paying Agent or, as the case may be, the Non-CDP Paying Agent shall notify such Dealer when all such Dealers have so certified), within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

This Information Memorandum has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Information Memorandum does not constitute an offer to any person in the United States. Distribution of this Information Memorandum by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

European Economic Area

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer will be required to represent, warrant and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(i) the expression "**retail investor**" means a person who is one (or more) of the following:

   (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");

   (b) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

   (c) not a qualified investor as defined in the Prospectus Regulation (as defined below); and

(ii) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable" in relation to each Member State of the European Economic Area (each, a "**Member State**"), each Dealer will be required to represent and agree that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Member State, except that it may make an offer of such Notes to the public in that Member State:

(i) if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(iii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129 (as amended or superseded).

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer will be required to represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(i) the expression "**retail investor**" means a person who is one (or more) of the following:

    (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**");

    (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

    (c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

(ii) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the applicable Pricing Supplement in respect of any Notes specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer will be required to represent and agree that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom, except that it may make an offer of such Notes to the public in the United Kingdom:

(i) if the Pricing Supplement in relation to the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a "**Public Offer**"), following the date of publication of a prospectus in relation to such Notes which either (i) has been approved by the Financial Conduct Authority, or (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provision in Regulation 74 of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019, provided that any such prospectus has subsequently been completed by final terms contemplating such Public Offer, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Public Offer;

(ii) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(iii) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Note means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other Regulatory Restrictions

Each Dealer will be required to represent and agree that:

(i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Dealer will be required to represent and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")), other than (a) to "professional investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Dealer has acknowledged that this Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 of Singapore.

Investors should note that there may be restrictions on the secondary sale of the Notes under Section 276 of the SFA.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

General

The selling restrictions herein contained may be modified, varied or amended from time to time by notification from the Issuer to the Dealers and each Dealer undertakes that it will at all times comply with all such selling restrictions.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all applicable securities laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers Notes or any interest therein or rights in respect thereof or has in its possession or distributes, this Information Memorandum or any other document (or any part thereof) or any Pricing Supplement. No Dealer will directly or indirectly offer, sell or deliver Notes or any interest therein or rights in respect thereof or distribute or publish any prospectus, circular, advertisement or other offering material (including, without limitation, this Information Memorandum) in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations, and all offers, sales and deliveries of the Notes or any interest therein or rights in respect thereof by it will be made on the foregoing terms.

Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Notes or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional adviser(s) and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.

GENERAL AND OTHER INFORMATION

INFORMATION ON DIRECTORS

1. No Director is or was involved in any of the following events:

   (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;

   (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being named subject to any pending proceedings which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or

   (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

2. Save as disclosed below, the Directors are not related by blood or marriage to one another nor are they related to any substantial shareholder of the Issuer:

   Koh Wee Seng and Ko Lee Meng are siblings.

3. The interests of the directors and the substantial shareholders of the Issuer in the Shares as at the Latest Practicable Date are as follows:

   (a) Directors

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Koh Wee Seng(1)(2)(3)(4)	109,383,423	7.02	1,262,404,936	80.96
Ko Lee Meng(1)(2)(3)(4)	17,581,376	1.13	1,171,784,383	75.15

Notes:

(1) Koh Wee Seng and Ko Lee Meng are siblings.

(2) Koh Wee Seng and Ko Lee Meng are directors and substantial shareholders of Aspial through their shareholdings in MLHS. In addition, Koh Wee Seng also has 18.86% direct interest in Aspial as at the Latest Practicable Date. Koh Wee Seng is the chief executive officer of Aspial. Ko Lee Meng is a non-executive director of Aspial.

(3) Koh Wee Seng and Ko Lee Meng are deemed to have an interest in the 1,152,743,525 Shares held by Aspial by virtue of Section 7 of the Companies Act.

(4) Koh Wee Seng and Ko Lee Meng are deemed to have an interest in the Shares held by their respective spouse.

(b) Substantial shareholders (other than the directors)

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Aspial	1,152,743,525	73.93	–	–
MLHS	–	–	1,152,743,525	73.93
Koh Lee Hwee	28,196,664	1.81	1,188,547,059	76.23

Note:

(1) MLHS is the controlling shareholder of Aspial, holding approximately 54.23% of the shareholdings of Aspial as at the Latest Practicable Date. MLHS is a private limited company incorporated in Singapore on 14 January 1994. It is an investment holding company. The substantial shareholders of MLHS are Koh Wee Seng (47.00%), Ko Lee Meng (25.75%) and Koh Lee Hwee (24.25%).

SHARE CAPITAL

4. As at the date of this Information Memorandum, there is only one class of ordinary shares in the Issuer. The rights and privileges attached to the Shares are stated in the Constitution of the Issuer.

5. The issued share capital of the Issuer as at the Latest Practicable Date is as follows:

	Issued Share Capital	
Share Designation	Number of Shares	Amount
Ordinary Shares (excluding treasury shares)	1,559,217,499	S$216,204,718

BORROWINGS

6. Save as disclosed in Appendix III, the Group had as at 31 December 2023 no other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

7. The Directors are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Notes, the Issuer will have adequate working capital for its present requirements.

CHANGES IN ACCOUNTING POLICIES

8. Save as disclosed in Appendix III, there has been no significant change in the accounting policies of the Issuer since its audited consolidated financial statements for the financial year ended 31 December 2023.

LITIGATION

9. There are no legal or arbitration proceedings pending or, to the best of the Issuer's knowledge after making all reasonable enquiries, threatened against the Issuer or any of its subsidiaries the outcome of which may have or have had during the 12 months prior to the date of this Information Memorandum a material adverse effect on the financial position of the Issuer or the Group.

LEGAL ENTITY IDENTIFIER

10. The Legal Entity Identifier (LEI) of the Issuer is 9845004K5E0B9X8BLW10.

MATERIAL ADVERSE CHANGE

11. There has been no material adverse change in the financial condition or business of the Issuer or the Group since 31 December 2023.

CONSENT

12. Ernst & Young LLP has given and has not withdrawn its written consent to the issue of this Information Memorandum with the references herein to its name and, where applicable, reports in the form and context in which they appear in this Information Memorandum.

DOCUMENTS AVAILABLE FOR INSPECTION

13. Copies of the following documents may be inspected at the registered office of the Issuer at 80 Raffles Place, #32-01, UOB Plaza, Singapore 048624 during normal business hours for a period of six months from the date of this Information Memorandum:

    (a) the Constitution of the Issuer;

    (b) the Trust Deed; and

    (c) the audited consolidated financial statements of the Group for the financial years ended 31 December 2022 and 31 December 2023.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

14. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF ASPIAL LIFESTYLE LIMITED (FORMERLY KNOWN AS MAXI-CASH FINANCIAL SERVICES CORPORATION LTD.) AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The information in this Appendix II has been reproduced from the annual report of Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) for the financial year ended 31 December 2022 and has not been specifically prepared for inclusion in this Information Memorandum. Investors should read the consolidated financial data in conjunction with the related notes.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aspial Lifestyle Limited (the "**Company**") (formerly known as Maxi-Cash Financial Services Corporation Ltd.) and its subsidiaries (collectively, the "**Group**"), which comprise the statements of financial position of the Group and the Company as at 31 December 2022, the statements of changes in equity of the Group and the 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 the 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.

Allowance for expected credit losses on pawnshop loans and interest receivables on pawnshop loans

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.

Key audit matters (continued)

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 19 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 21, 19 and 18 respectively, 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.

Responsibilities of management and directors for the financial statements (continued)

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 consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Auditor's responsibilities for the audit of the financial statements (continued)

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
24 March 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

	Note	2022 $'000	2021 $'000
Revenue	4	319,008	225,703
Material costs		(208,785)	(143,881)
Employee benefits expenses	5	(31,706)	(25,435)
Depreciation and amortisation		(18,265)	(14,509)
Finance costs	6	(17,402)	(10,162)
Other operating expenses		(28,688)	(19,986)
Interest income		644	28
Dividend income from equity securities		198	298
Rental income	25	1,659	1,329
Other income	7	5,080	4,141
Share of results of joint venture	15	61	57
Profit before tax	8	21,804	17,583
Income tax expense	9(a)	(5,727)	(3,042)
Profit for the year		16,077	14,541
Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax):			
Net fair value changes on equity securities at fair value through other comprehensive income ("**FVOCI**")		(1,113)	28
Items that may be reclassified subsequently to profit or loss (net of tax):			
Net fair value changes on debt securities at fair value through other comprehensive income		–	4
Net loss on cash flow hedge		(70)	–
Foreign currency translation		420	103
Other comprehensive income for the year, net of tax		(763)	135
Total comprehensive income for the year		15,314	14,676
Profit for the year attributable to:			
Owners of the Company		15,984	14,446
Non-controlling interests		93	95
		16,077	14,541
Total comprehensive income attributable to:			
Owners of the Company		15,221	14,581
Non-controlling interests		93	95
		15,314	14,676
Earnings per share (cents)			
Basic and diluted	10	1.39	1.39

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	11	129,217	81,078	22	33
Investment properties	12	11,650	16,850	–	–
Right-of-use assets	25(a)	82,098	33,314	–	–
Intangible assets	13	6,652	–	–	–
Other receivables	19	3,953	2,086	–	–
Investment in subsidiaries	14	–	–	162,996	54,242
Investment in joint venture	15	–	1,466	–	2,000
Investment securities	17	1,841	2,957	–	–
Prepaid rent		–	1	–	–
Deferred tax assets	9(c)	1,378	2,853	79	–
		236,789	140,605	163,097	56,275
Current assets					
Inventories	18	171,298	90,927	–	–
Trade and other receivables	19	384,251	329,488	71	11
Prepayments		2,474	970	31	157
Due from subsidiaries (non-trade)	20	–	–	112,867	135,604
Due from related companies (non-trade)	20	93	–	22	–
Due from immediate holding company (non-trade)	20	10	–	–	–
Derivative financial instruments	16	754	219	–	–
Cash and bank balances	21	30,813	19,735	2,577	4,712
		589,693	441,339	115,568	140,484
Total assets		826,482	581,944	278,665	196,759
Current liabilities					
Trade and other payables	22	48,845	12,192	2,444	2,448
Due to immediate holding company (non-trade)	20	13,502	6	13,500	6
Due to related companies (non-trade)	20	3,285	3	–	3
Derivative financial instruments	16	902	–	–	–
Provision for taxation		5,957	2,944	72	376
Interest-bearing loans	23	348,050	252,296	–	–
Lease liabilities	25(b)	21,101	10,304	–	–
Medium-Term Notes	24	–	45,250	–	45,250
		441,642	322,995	16,016	48,083
Net current assets		148,051	118,344	99,552	92,401
Non-current liabilities					
Other payables	22	80	111	–	–
Interest-bearing loans	23	100,199	84,001	–	–
Medium-Term Notes	24	59,527	–	59,527	–
Deferred tax liabilities	9(c)	1,347	175	–	4
Lease liabilities	25(b)	63,323	24,106	–	–
		224,476	108,393	59,527	4
Total liabilities		666,118	431,388	75,543	48,087
Net assets		160,364	150,556	203,122	148,672
Equity attributable to owners of the Company					
Share capital	26(a)	192,206	142,341	192,206	142,341
Treasury shares	26(b)	(19)	(59)	(19)	(59)
Other reserves	26(c)	(48,713)	(5,928)	5,861	(23)
Revenue reserve		15,719	13,072	5,074	6,413
		159,193	149,426	203,122	148,672
Non-controlling interests		1,171	1,130	–	–
Total equity		160,364	150,556	203,122	148,672
Total equity and liabilities		826,482	581,944	278,665	196,759

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 reserve	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
At 1 January 2021		137,286	(9)	(6,066)	20,363	151,574	1,035	152,609
Profit for the year		–	–	–	14,446	14,446	95	14,541
Other comprehensive income								
Foreign currency translation		–	–	103	–	103	–	103
Net fair value changes in debt securities at FVOCI		–	–	4	–	4	–	4
Net fair value changes in equity securities at FVOCI		–	–	28	–	28	–	28
Other comprehensive income for the year, net of tax		–	–	135	–	135	–	135
Total comprehensive income for the year		–	–	135	14,446	14,581	95	14,676
Contributions by and distributions to owners								
Dividends on ordinary shares	30	–	–	–	(21,737)	(21,737)	–	(21,737)
Issuance of ordinary shares	26(a)	5,184	–	–	–	5,184	–	5,184
Share issuance expense	26(a)	(129)	–	–	–	(129)	–	(129)
Purchase of treasury shares	26(b)	–	(209)	–	–	(209)	–	(209)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	26(b)	–	159	3	–	162	–	162
Total contributions by and distributions to owners		5,055	(50)	3	(21,737)	(16,729)	–	(16,729)
At 31 December 2021		142,341	(59)	(5,928)	13,072	149,426	1,130	150,556
At 1 January 2022		142,341	(59)	(5,928)	13,072	149,426	1,130	150,556
Profit for the year		–	–	–	15,984	15,984	93	16,077
Other comprehensive income								
Foreign currency translation		–	–	420	–	420	–	420
Net fair value changes in equity securities at FVOCI		–	–	(1,113)	–	(1,113)	–	(1,113)
Net loss on cash flow hedge		–	–	(70)	–	(70)	–	(70)
Other comprehensive income for the year, net of tax		–	–	(763)	–	(763)	–	(763)
Total comprehensive income for the year		–	–	(763)	15,984	15,221	93	15,314
Contributions by and distributions to owners								
Dividends on ordinary shares	30	–	–	–	(13,337)	(13,337)	–	(13,337)
Issuance of ordinary shares	26(a)	49,865	–	–	–	49,865	–	49,865
Purchase of treasury shares	26(b)	–	(145)	–	–	(145)	–	(145)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	26(b)	–	185	(5)	–	180	–	180
Acquisition of subsidiaries on 30 September 2022		–	–	(42,006)	–	(42,006)	–	(42,006)
Change in ownership interests in subsidiaries without a change in control		–	–	(11)	–	(11)	(52)	(63)
Total contributions by and distributions to owners		49,865	40	(42,022)	(13,337)	(5,454)	(52)	(5,506)
At 31 December 2022		192,206	(19)	(48,713)	15,719	159,193	1,171	160,364

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	Share capital	Treasury shares	Other reserves	Revenue reserve	Total
		$'000	$'000	$'000	$'000	$'000
Company						
At 1 January 2021		137,286	(9)	(26)	13,803	151,054
Profit for the year		–	–	–	14,347	14,347
Total comprehensive income for the year		–	–	–	14,347	14,347
Contributions by and distributions to owners						
Dividends on ordinary shares	30	–	–	–	(21,737)	(21,737)
Issuance of ordinary shares	26(a)	5,184	–	–	–	5,184
Share issuance expense	26(a)	(129)	–	–	–	(129)
Purchase of treasury shares	26(b)	–	(209)	–	–	(209)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	26(b)	–	159	3	–	162
Total contributions by and distributions to owners		5,055	(50)	3	(21,737)	(16,729)
At 31 December 2021		142,341	(59)	(23)	6,413	148,672
At 1 January 2022		142,341	(59)	(23)	6,413	148,672
Profit for the year		–	–	–	11,998	11,998
Total comprehensive income for the year		–	–	–	11,998	11,998
Contributions by and distributions to owners						
Dividends on ordinary shares	30	–	–	–	(13,337)	(13,337)
Issuance of ordinary shares	26(a)	49,865	–	–	–	49,865
Purchase of treasury shares	26(b)	–	(145)	–	–	(145)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	26(b)	–	185	(5)	–	180
Acquisition of subsidiaries on 30 September 2022	14	–	–	5,889	–	5,889
Total contributions by and distributions to owners		49,865	40	5,884	(13,337)	42,452
At 31 December 2022		192,206	(19)	5,861	5,074	203,122

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			
Profit before tax		21,804	17,583
Adjustments for:			
Depreciation of property, plant and equipment	8	4,295	3,478
Fair value gain on investment properties	7	(800)	(40)
Depreciation of right-of-use assets	8	13,912	11,028
Write-back of inventories	8	(269)	(14)
Interest expense	6	17,402	10,162
Interest income		(2,766)	(2,110)
Dividend income from equity securities		(198)	(298)
Allowance for expected credit losses on interest receivables	8	4,033	3,852
Financial losses on pledged items not fully covered by insurance	8	10	108
Loss on disposal/write-off of property, plant and equipment	8	278	134
Gain on disposal of investment securities	7	–	(7)
Net fair value change on derivatives	7,8	296	(243)
Amortisation of prepaid rent	8	3	3
Amortisation of intangible assets	8	55	–
Unrealised foreign exchange differences		95	348
Share of results of joint venture	15	(61)	(57)
Impairment loss on right-of-use assets	8	189	–
Impairment loss on property, plant and equipment	8	526	–
Gain on termination/modification of leases	7	(243)	–
Gain on disposal of investment property	7	(876)	–
Operating cash flows before changes in working capital		57,685	43,927
Changes in working capital			
Increase in inventories		(18,498)	(16,257)
Increase in trade and other receivables		(58,722)	(36,684)
(Increase)/decrease in prepayments		(976)	550
Increase/(decrease) in trade and other payables		20,863	(608)
Total changes in working capital		(57,333)	(52,999)
Cash flows used in operations		352	(9,072)
Interest paid		(15,564)	(8,908)
Interest received		644	8
Income taxes paid		(2,652)	(4,132)
Net cash flows used in operating activities		(17,220)	(22,104)

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
Investing activities			
Purchase of property, plant and equipment	11	(2,431)	(25,255)
Interest received		3,678	462
Dividends received from equity securities		198	298
Purchase of investment securities		(225)	(500)
Net cash outflow on acquisition of subsidiaries	14	(27,854)	–
Proceeds from disposal of investment property		6,876	–
Proceeds from disposal of property, plant and equipment		–	15
Purchase of intangible assets	13	(3,309)	–
Decrease in amount due from a related company (non-trade)		828	–
Decrease in amount due from a joint venture (non-trade)		–	263
Proceeds from disposal of investment securities	17	–	750
Net cash flows used in investing activities		(22,239)	(23,967)
Financing activities			
Proceeds from issuance of ordinary shares	26(a)	–	5,184
Share issuance expense	26(a)	–	(129)
Repayment of Medium-Term Notes	24	(22,000)	–
Proceeds from issuance of Medium-Term Notes	24	36,750	–
Medium-Term Notes issuance fee paid	24	(836)	–
Proceeds of short-term bank borrowings	24	133,524	90,405
Repayment from short-term bank borrowings	24	(79,442)	(42,885)
Proceeds from term loans	24	6,144	29,039
Repayment of term loans	24	(18,351)	(5,770)
Purchase of treasury shares	26(b)	(145)	(209)
Increase in amount due to immediate holding company (non-trade), net		21,756	6
Repayment of advances to related companies (non-trade), net		1,655	(81)
Dividends paid on ordinary shares	30	(13,337)	(21,737)
Interest paid on lease liabilities	25(c)	(1,475)	(1,002)
Payment of principal portion of lease liabilities	25(b)	(13,761)	(10,803)
Acquisition of non-controlling interests in subsidiaries		(52)	–
Net cash flows from financing activities		50,430	42,018
Net increase/(decrease) in cash and cash equivalents		10,971	(4,053)
Effect of exchange rate changes on cash and cash equivalents		107	(28)
Cash and cash equivalents at the beginning of the financial year		19,735	23,816
Cash and cash equivalents at the end of the financial year	21	30,813	19,735

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

1. Corporate information

Aspial Lifestyle Limited (the "**Company**") (formerly known as Maxi-Cash Financial Services Corporation Ltd.) is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

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

The Company's registered office is located at 80 Raffles Place, #32-01 UOB Plaza 1, Singapore 048624 and its principal place of business is located at 55 Ubi Avenue 3, #04-08, Singapore 408864.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

Related companies refer to entities belonging to the Aspial Corporation Limited group of companies.

With effect from 3 October 2022, the name of the Company was changed from Maxi-Cash Financial Services Corporation Ltd. to Aspial Lifestyle Limited.

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. Summary of significant accounting policies (continued)

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.

2.4 *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.

2.5 *Business combination involving entities under common control*

Business combinations involving entities under common control are accounted for by applying the pooling of interest method which involves the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company.

- No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities.

- No additional goodwill is recognised as a result of the combination.

- Any difference between the consideration paid/transferred and the equity 'acquired' is reflected within the equity under other reserves.

- The statement of comprehensive income reflects the results of the combining entities prospectively from the date on which the business combination occurred.

2. Summary of significant accounting policies (continued)

2.6 ***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.

2.7 ***Foreign currency***

The financial statements are presented in Singapore Dollars ("**SGD**"), 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 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 financial year. 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 financial year are recognised in profit or loss.

(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.

2.8 ***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	–	36 to 69 years
Renovations, electrical fittings, furniture and fittings	–	3 – 5 years
Air-conditioners, office and security equipment	–	3 – 5 years
Showroom tools and machinery	–	5 years
Computers	–	3 years
Motor vehicles	–	3 – 7 years

2. Summary of significant accounting policies (continued)

2.8 *Property, plant and equipment (continued)*

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 life 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 de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.9 *Investment properties*

Investment properties are properties that are either owned by the Group that are 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.

2.10 *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.

2. Summary of significant accounting policies (continued)

2.10 *Intangible assets (continued)*

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.

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 licence is estimated to have indefinite useful lives 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.

2.11 *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.

2.12 *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. Summary of significant accounting policies (continued)

2.13 *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.

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 venture is set out in Note 2.14.

2.14 *Joint ventures*

The Group accounts for its investments in joint ventures using the equity method from the date on which it becomes a 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 represents 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 joint venture's profit or loss in the period in which the investment is acquired.

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

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the 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 joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the 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 joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint ventures are prepared as 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. Summary of significant accounting policies (continued)

2.15 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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

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 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 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 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 fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in 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.

2. Summary of significant accounting policies (continued)

2.15 ***Financial instruments (continued)***

(a) *Financial assets (continued)*

Subsequent measurement (continued)

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 for debt instruments 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.

Regular way purchases and sales

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(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. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.16 *Impairment of financial assets*

The Group estimates the ECLs for all debt instruments not held at fair value through profit or loss. 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 on 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 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 for 12-months 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.

Due from subsidiaries (non-trade), due from immediate holding company (non-trade), due from related companies (non-trade)

The Group uses the general approach and estimates for 12-months 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 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at banks including fixed deposits and cash on hand.

2.18 *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. Summary of significant accounting policies (continued)

2.19 *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.

2.20 *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".

2.21 *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.

2.22 *Borrowing costs*

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.23 *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 financial year is recognised for services rendered by employees up to the end of the financial year.

(c) *Employee share award plan*

The immediate holding company's 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.

2. Summary of significant accounting policies (continued)

2.24 *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.

Group as a 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 to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *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:

Retail stores	–	2 to 7 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 2.11.

(b) *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.

(c) *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). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

2. Summary of significant accounting policies (continued)

2.24 ***Leases (continued)***

Group as a 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. Rental income arising from operating lease is accounted for on a straight-line basis over the lease terms and is included in the consolidated statement of comprehensive income due to its operating nature. 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 rental income in the period in which they are earned.

2.25 ***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 good or service to the customer, which is when the customer obtains control of the good 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) *Sale of goods*

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.

(b) *Interest income*

Interest income is recognised using the effective interest method.

(c) *Rental income from operating leases*

Rental income 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.

2.26 ***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 authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the financial year, in Singapore 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)

2.26 ***Taxes (continued)***

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the financial year 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 an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, 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 the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, 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 financial year 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 financial year 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 financial year.

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.

(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)

2.27 ***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 consolidated statement of financial position 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.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated 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 financial year. 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 ***Judgments made in applying accounting policies***

In the process of applying the Group's accounting policies, management is of the opinion that there is no significant judgement made in applying accounting policies.

3. Significant accounting judgments and estimates (continued)

3.2 ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *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 well as considering any forward-looking 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 include the pawnshop loans and interest receivables on pawnshop loans at the end of the financial year is disclosed in Note 19 to the financial statements.

(b) *Allowance for inventories*

The Group periodically assesses the allowance for inventories. 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 inventories. The carrying amount of the Group's inventories at the end of the financial year is disclosed in Note 18 to the financial statements.

4. Revenue

	Group	
	2022	**2021**
	$'000	$'000
Sale of jewellery and branded merchandise, recognised at a point in time	265,360	177,578
Interest income from pawnbroking services	51,526	46,043
Interest income from secured lending	2,122	2,082
	319,008	225,703

Revenue recognition policy is as per disclosed in Note 2.25.

5. Employee benefits expenses

	Group 2022	Group 2021
	$'000	$'000
Employee benefits expenses:		
- Salaries and bonuses	28,402	22,848
- Contribution to defined contribution plans	3,304	2,587
	31,706	25,435

6. Finance costs

	Note	Group 2022	Group 2021
		$'000	$'000
Interest expense on:			
- Short-term bank borrowings		9,024	4,187
- Term loans		2,491	1,847
- Medium-Term Notes		4,049	2,874
- Lease liabilities	25(c)	1,475	1,002
		17,039	9,910
Amortisation of prepaid commitment fee		363	252
		17,402	10,162

7. Other income

	Note	Group 2022	Group 2021
		$'000	$'000
Net foreign exchange gain		931	2
Jobs Support Scheme grant income		–	596
COVID-19-related rent concessions	25(c)	68	2,165
Gain on forfeited customer advances		314	415
Gain on termination/modification of leases	25(c)	243	–
Gain on disposal of investment property		876	–
Management services to related companies	27	314	195
Net fair value gain on derivative financial instruments		–	243
Net gain on disposal of investment securities		–	7
Net fair value gain on investment properties	12	800	40
Other government grants and miscellaneous income		1,534	478
		5,080	4,141

Jobs Support Scheme

The Jobs Support Scheme ("**JSS**") was introduced by the Government 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.

7. Other income (continued)

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 ("**SMEs**") and specified Non-Profit Organisations tenant-occupiers of the prescribed properties.

During the financial years 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. Profit before tax

The following items have been included in arriving at profit before tax:

		Group	
	Note	2022	2021
		$'000	$'000
Audit fees:			
- Auditor of the Company		318	291
- Other auditors		141	66
Non-audit fees:			
- Auditor of the Company		70	60
- Other auditors		39	44
Amortisation of prepaid rent		3	3
Amortisation of intangible asset	13	55	–
Depreciation of property, plant and equipment	11	4,295	3,478
Depreciation of right-of-use assets	25(a)	13,912	11,028
Lease expense not capitalised in lease liabilities:		2,029	2,533
- Expense relating to short-term leases	25(c)	1,618	2,370
- Variable lease payments	25(c)	411	163
Loss on disposal/write-off of property, plant and equipment		278	134
Net fair value loss on derivative financial instruments		296	–
Allowance for expected credit losses on interest receivables	19	4,033	3,852
Write-back of inventories	18	(269)	(14)
Financial losses on pledged items not fully covered by insurance		10	108
Branding and marketing related costs		2,935	1,586
Impairment loss on right-of-use assets	25(a)	189	–
Impairment loss on property, plant and equipment	11	526	–

9. 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	3,814	2,475
Under/(over) provision in respect of previous years	96	(84)
	3,910	2,391
Deferred tax		
Origination and reversal of temporary differences	1,141	692
Under/(over) provision in respect of previous years	648	(67)
	1,789	625
Withholding tax	28	26
Income tax expense recognised in profit or loss	5,727	3,042
Deferred tax expense related to other comprehensive income		
Net (loss)/gain on fair value changes on equity securities	(228)	5
Net gain on fair value changes on debt securities	–	1
	(228)	6

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

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

	Group	
	2022	**2021**
	$'000	$'000
Profit before tax	21,804	17,583
Tax calculated at a tax rate of 17% (2021: 17%)	3,707	2,989
Adjustments:		
Expenses not deductible for tax purposes	1,761	716
Income not subject to tax	(288)	(249)
Effect of partial tax exemption and tax relief	(279)	(280)
Under/(over) provision in respect of previous years	744	(151)
Withholding tax paid	28	26
Effect of foreign tax credit	(14)	(16)
Others	68	7
Income tax expense recognised in profit or loss	5,727	3,042

9. Income tax expense (continued)

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

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Balance at 1 January	(2,678)	(3,706)	4	7
Acquisition of subsidiaries	760	–	–	–
Charged/(credited) to profit or loss	2,115	1,022	(83)	(3)
(Credited)/charged to other comprehensive income	(228)	6	–	–
Balance at 31 December	(31)	(2,678)	(79)	4

Deferred income tax prior to offsetting of balances within the same tax jurisdiction as at 31 December relates to the following:

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Deferred tax (assets)/liabilities				
Difference in depreciation	1,348	338	3	5
Leases	(177)	(109)	–	–
Provisions	(159)	(112)	(2)	(1)
Unutilised tax losses and allowances	(730)	(2,699)	(80)	–
Fair value change of equity securities at FVOCI	(320)	(92)	–	–
Others	7	(4)	–	–
	(31)	(2,678)	(79)	4

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current income tax assets and current income tax liabilities and when deferred tax relate to the same fiscal authority. The amounts of deferred tax assets and liabilities determined after appropriate offsetting are as follows:

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Deferred tax liabilities	1,347	175	–	4
Deferred tax assets	(1,378)	(2,853)	(79)	–
	(31)	(2,678)	(79)	4

The subsidiaries of the Group transferred tax losses of approximately $816,000 (2021: $2,386,000) to other subsidiaries within the Group under the group relief system, subject to compliance with the relevant rules and agreement of Inland Revenue Authority of Singapore.

9. Income tax expense (continued)

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

As at 31 December 2020, Maxi-Cash Retail Pte. Ltd. ("**MCR**") which was formed pursuant to amalgamation with another subsidiary, has obtained approval from the tax authority to carry forward its unutilised tax losses and unabsorbed capital allowances. The Group has assessed that MCR is expected to generate future taxable profits. Consequently, the Group has recognised the related deferred tax asset amounting to $679,000 (2021: $1,725,000).

As at 31 December 2022, unutilised tax losses, unabsorbed capital allowances and unutilised donations of the Group available for offset against future taxable profits amount to $3,997,000, $Nil and $20,000 (2021: $12,946,000, $544,000 and $33,000), respectively.

Tax consequences of proposed dividends

There are no income tax consequences (2021: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 30).

10. Earnings per share

Basic earnings per share computation is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares (excluding treasury shares).

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

The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 December 2022 and 2021:

	Group	
	2022	**2021**
Profit for the year attributable to owners of the Company used in the computation of basic and diluted earnings per share ($'000)	15,984	14,446
Weighted average number of ordinary shares (excluding treasury shares) for basic and diluted earnings per share computation	1,146,493,692	1,036,666,820
Earnings per share (cents)		
– basic and diluted	1.39	1.39

11. Property, plant and equipment

Group	Freehold properties	Leasehold properties	Renovations, electrical fittings, furniture and fittings	Air-conditioners, office and security equipment	Showroom tools and machinery	Computers	Motor vehicles	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost									
At 1 January 2021	15,183	45,319	8,892	3,468	805	1,750	233	654	76,304
Additions	–	22,514	1,647	453	50	79	57	455	25,255
Disposals	–	–	(92)	(14)	(1)	(1)	(85)	–	(193)
Transfer in/(out)	–	–	149	5	–	442	–	(596)	–
Transfer to investment properties (Note 12)	–	(6,690)	–	–	–	–	–	–	(6,690)
Written-off	–	–	–	–	–	–	–	(140)	(140)
Translation difference	–	–	(29)	(8)	(1)	(3)	–	–	(41)
At 31 December 2021 and 1 January 2022	15,183	61,143	10,567	3,904	853	2,267	205	373	94,495
Additions	–	–	1,375	231	47	124	–	654	2,431
Acquisition of subsidiary	–	42,032	4,386	1,112	155	156	33	3,002	50,876
Disposals	–	–	(915)	(213)	(46)	(52)	–	(40)	(1,266)
Transfer in/(out)	–	–	1,720	64	99	182	–	(2,065)	–
Translation difference	–	–	(120)	(32)	(3)	(11)	–	–	(166)
At 31 December 2022	15,183	103,175	17,013	5,066	1,105	2,666	238	1,924	146,370
Accumulated depreciation									
At 1 January 2021	12	937	5,179	2,616	594	1,337	155	–	10,830
Depreciation charge for the year	9	923	1,682	392	71	370	31	–	3,478
Disposals	–	–	(87)	(13)	(1)	(1)	(82)	–	(184)
Transfer to investment properties (Note 12)	–	(690)	–	–	–	–	–	–	(690)
Translation difference	–	–	(12)	(4)	–	(1)	–	–	(17)
At 31 December 2021 and 1 January 2022	21	1,170	6,762	2,991	664	1,705	104	–	13,417
Depreciation charge for the year	9	1,304	2,063	398	99	384	38	–	4,295
Disposals	–	–	(714)	(186)	(38)	(50)	–	–	(988)
Impairment loss	–	–	386	128	4	8	–	–	526
Translation difference	–	–	(68)	(21)	(1)	(7)	–	–	(97)
At 31 December 2022	30	2,474	8,429	3,310	728	2,040	142	–	17,153
Net carrying amount									
At 31 December 2021	15,162	59,973	3,805	913	189	562	101	373	81,078
At 31 December 2022	15,153	100,701	8,584	1,756	377	626	96	1,924	129,217

11. Property, plant and equipment (continued)

Company	Renovations, electrical fittings, furniture and fittings	Air-conditioners, office and security equipment	Showroom tools and machinery	Computers	Total
	$'000	$'000	$'000	$'000	$'000
Cost					
At 1 January 2021	–	15	5	246	266
Additions	6	–	–	–	6
At 31 December 2021 and 1 January 2022	6	15	5	246	272
Additions	–	–	–	1	1
At 31 December 2022	6	15	5	247	273
Accumulated depreciation					
At 1 January 2021	–	12	5	204	221
Depreciation charge for the year	1	1	–	16	18
At 31 December 2021 and 1 January 2022	1	13	5	220	239
Depreciation charge for the year	1	1	–	10	12
At 31 December 2022	2	14	5	230	251
Net carrying amount					
At 31 December 2021	5	2	–	26	33
At 31 December 2022	4	1	–	17	22

Impairment of property, plant and equipment

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 pawnbroking segment, recognised in "Other operating expenses" in the consolidated statement of comprehensive income.

A floating charge has been placed on property, plant and equipment of certain subsidiaries with a carrying amount aggregating $3,408,000 (2021: $2,823,000) as security for bank borrowings (Note 23).

As at 31 December 2022, freehold properties and leasehold properties with carrying amounts of $15,153,000 (2021: $15,162,000) and $100,701,000 (2021: $59,973,000) respectively are pledged to banks as security for bank borrowings (Note 23).

12. Investment properties

Investment properties held by the Group are as follows:

Description and location	Existing use	Tenure	Unexpired lease term
40 Changi Road, Singapore	Retail	Freehold	–
709 Ang Mo Kio Avenue 8 #01-2593, Singapore	Retail	Leasehold	62 years

	Note	Group 2022	2021
		$'000	$'000
At 1 January		16,850	10,810
Transfer from property, plant and equipment	11	–	6,000
Net fair value gain recognised in profit or loss	7	800	40
Disposal		(6,000)	–
At 31 December		11,650	16,850
Consolidated statement of comprehensive income:			
Rental income from investment properties/property, plant and equipment		324	331
Direct operating expenses arising from rental generating properties		(53)	(57)

During the financial year ended 31 December 2021, the Group transferred $6,000,000 of freehold and leasehold properties from Property, plant and equipment to Investment properties due to a change in management's intention to use the properties for lease to third parties under operating leases, details of which are disclosed in Note 25 to the financial statements.

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.

As at 31 December 2022, investment properties with a carrying value of $11,650,000 (2021: $16,850,000) are pledged to banks as security for bank borrowings (Note 23).

Valuation of investment properties

The valuations were performed by external appraisers with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs used are disclosed in Note 32.

13. Intangible assets

Group	Goodwill	Computer software	Licence	Total
	$'000	$'000	$'000	$'000
Cost:				
At 1 January 2021, 31 December 2021 and 1 January 2022	–	–	–	–
Additions	–	2,809	500	3,309
Acquisition of a subsidiary	3,221	177	–	3,398
At 31 December 2022	3,221	2,986	500	6,707
Accumulated amortisation				
At 1 January 2021, 31 December 2021 and 1 January 2022	–	–	–	–
Amortisation	–	55	–	55
At 31 December 2022	–	55	–	55
Net carrying amount				
At 31 December 2022	3,221	2,931	500	6,652
At 31 December 2021	–	–	–	–

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.

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 represent 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%, 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% for the budget covering 5 years with a terminal growth rate of 1.7%

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.

14. Investment in subsidiaries

	Company 2022	Company 2021
	$'000	$'000
Unquoted equity shares, at cost	162,996	54,242

The Company had the following subsidiaries:

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2022	Proportion (%) of ownership interest 2021
	Held by the Company				
(a)	Maxi-Cash Group Pte. Ltd.	Singapore	Investment holding and provision of management services	100	100
(a)	Maxi-Cash Jewellery Group Pte. Ltd.	Singapore	Trading and retailing of jewellery and branded merchandise	100	100
(a), (d)	Maxi-Cash Property Pte. Ltd.	Singapore	Real estate activities	100	100
(a)	Maxi-Cash Investment Holding Pte. Ltd.	Singapore	Investment holding	100	100
(a)	Maxi-Cash Capital Management Pte. Ltd.	Singapore	Secured lending and investment holding	100	100
(a)	Maxi-Cash International Pte. Ltd.	Singapore	Investment holding and provision of management services	100	100
(a)	Maxi-Cash Retail Pte. Ltd.	Singapore	Jewellery retailing	100	100
(a), (d)	Aspial Property Investment Pte. Ltd.	Singapore	Real estate activities	–	100
(a)	Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.)	Singapore	Jewellery manufacturing	100	–
(e)	Gold Purple Pte. Ltd.	Singapore	Inactive	100	–
(e)	BU2 Services Pte. Ltd.	Singapore	Inactive	100	–
(a)	AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.)	Singapore	Real estate activities	50	–
	Held by Maxi-Cash Jewellery Group Pte. Ltd.				
(g)	AL Treasury Pte. Ltd.	Singapore	Inactive	100	–

14. Investment in subsidiaries (continued)

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2022	2021
	Held by Maxi-Cash Group Pte. Ltd.				
(a)	Maxi-Cash (North) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (East) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (Central) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (West) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (Clementi) Pte. Ltd.	Singapore	Pawn brokerage	70	70
(a)	Maxi-Cash Capital Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash Assets Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash Ventures Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (Central 2) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (East 2) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (North East) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	MC Client Service Pte. Ltd. (formerly known as Maxi-Cash (North East 2) Pte. Ltd.)	Singapore	Inactive	100	100
	Held by Maxi-Cash Capital Management Pte. Ltd.				
(a)	Maxi-Cash Financial Pte. Ltd. (formerly known as Maxi Financial Pte. Ltd.)	Singapore	Investment holding and provision of management services	100	100
	Held by Maxi-Cash Financial Pte. Ltd.				
(f)	Maxi-Cash Leasing Pte. Ltd.	Singapore	Inactive	100	–
(h)	Pit-Stop Credit (SG) Pte. Ltd.	Singapore	Secured Lending	100	–

14. Investment in subsidiaries (continued)

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2022	2021
	Held by Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.)				
(a)	Lee Hwa Jewellery Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Pte. Ltd.)	Singapore	Jewellery retailing	100	–
(a)	Goldheart Jewelry Pte. Ltd.	Singapore	Jewellery retailing	100	–
(a)	AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.	Singapore	Real estate activities	50	–
	Held by Maxi-Cash International Pte. Ltd.				
(b)	Maxi Cash (Malaysia) Sdn. Bhd.	Malaysia	Investment holding and provision of management services	100	100
(c)	Maxi-Cash (Australia) Pty. Ltd.	Australia	Investment holding and provision of management services	100	100
(b)	Maxi-Cash (Hong Kong) Co. Ltd.	Hong Kong	Investment holding and provision of management services	100	100
	Held by Maxi Cash (Malaysia) Sdn. Bhd.				
(b)	Maxi Cash (Penang) Sdn. Bhd.	Malaysia	Inactive	100	100
(b)	Maxi Cash (Southern) Sdn. Bhd.	Malaysia	Investment holding and provision of management services	100	100
(b)	LuxeSTYLE (Malaysia) Sdn. Bhd.	Malaysia	Trading and retailing of jewellery and branded merchandise	100	100
(b)	Maxi-Cash Trading Sdn. Bhd.	Malaysia	Inactive	100	–
	Held by Maxi Cash (Penang) Sdn. Bhd.				
(b)	Max Cash (George Town) Sdn. Bhd.	Malaysia	Inactive	100	100
	Held by Maxi Cash (Southern) Sdn. Bhd.				
(b)	Maxi Cash (S1) Sdn. Bhd.	Malaysia	Pawn brokerage	100	99
(b)	Maxi Cash (S2) Sdn. Bhd.	Malaysia	Pawn brokerage	100	99
(b)	Maxi Cash (S3) Sdn. Bhd.	Malaysia	Pawn brokerage	100	99
(b)	Maxi Cash (KL1) Sdn. Bhd.	Malaysia	Pawn brokerage	100	99
(b)	Maxi Cash (KL2) Sdn. Bhd.	Malaysia	Pawn brokerage	100	99

14. Investment in subsidiaries (continued)

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2022	2021
	Held by Maxi-Cash (Australia) Pty. Ltd.				
(c)	Maxi-Cash Melbourne (VIC) Pty. Ltd.	Australia	Pawn brokerage	100	100
(c)	LuxeSTYLE (Australia) Pty. Ltd.	Australia	Trading and retailing of jewellery and branded merchandise	100	100
	Held by Maxi-Cash (Hong Kong) Co. Ltd.				
(b)	Maxi-Cash (HKI) Co. Ltd.	Hong Kong	Pawn brokerage	100	100
(b)	Maxi-Cash Retail (HKI) Co. Ltd.	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 The Field Group, Melbourne

(d) On 1 January 2022, the 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 the surviving entity.

(e) Exempted from statutory audit as the Company is dormant

(f) The subsidiary was incorporated on 9 December 2022, and the first set of audited financial statements will be for the period ended 31 December 2023

(g) The subsidiary was incorporated on 7 September 2022, and the first set of audited financial statements will be for the period ended 31 December 2023

(h) Audited by Acumen Associates LLP, Singapore

(i) Audited by Kreston David Yeung PAC, Singapore

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

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

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest	Profit allocated to NCI during the reporting period	Accumulated NCI at the end of the reporting period	Dividends paid to NCI
			$'000	$'000	$'000
2022					
Maxi-Cash (Clementi) Pte. Ltd.	Singapore	30%	100	1,171	–
2021					
Maxi-Cash (Clementi) Pte. Ltd.	Singapore	30%	100	1,078	–

14. Investment in subsidiaries (continued)

Summarised financial information about subsidiary with material NCI

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

Summarised statement of financial position

	Maxi-Cash (Clementi) Pte. Ltd.	
	2022	**2021**
	$'000	$'000
Current		
Assets	10,076	8,851
Liabilities	(6,219)	(5,309)
Net current assets	3,857	3,542
Non-current		
Assets	6	9
Liabilities	(1)	–
Net non-current assets	5	9
Net assets	3,862	3,551

Summarised statement of comprehensive income

	Maxi-Cash (Clementi) Pte. Ltd.	
	2022	**2021**
	$'000	$'000
Revenue	1,991	1,975
Profit before income tax	357	382
Income tax expense	(45)	(48)
Profit for the year, representing total comprehensive income	312	334

14. Investment in subsidiaries (continued)

Other summarised information

	Maxi-Cash (Clementi) Pte. Ltd.	
	2022	**2021**
	$'000	$'000
Net cash flows (used in)/from operations	(750)	10

Acquisition of subsidiaries under common control

On 30 September 2022, the Company acquired 100% equity interests in Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) and its subsidiaries ("**ALJG Group**"), BU2 Services Pte. Ltd. ("**BU2**") and Gold Purple Pte. Ltd. ("**GP**") (together, the "**Target Group**') for a total consideration of up to $98,755,000 from its immediate holding company, Aspial Corporation Limited ("**ACL**") which comprise base consideration and earn-out consideration.

The base consideration is satisfied by cash consideration of $37,000,000 and issuance of 311,656,441 ordinary shares 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 the Company to ACL amounting to $5,889,000. As at 31 December 2022, the performance target of the Target Group has been achieved.

The reason for the acquisition is to leverage on the jewellery retailing as part of the Group's strategic plans of increasing its product offerings in the market.

The above acquisition is considered to be a business combination under common control and the acquired assets and liabilities transferred have been included in the consolidated financial statements at their carrying amounts. The consolidated financial statements include the financial position and financial performance of Target Group from the date of acquisition.

From the acquisition date, the Target Group contributed revenue of $38,346,000 and profit for the year of $4,906,000 respectively to the Group for the financial year ended 31 December 2022. If the acquisition had taken place at the beginning of the year, the Group's revenue and profit for the year would have increased by approximately $90,616,000 and $8,899,000 respectively.

14. Investment in subsidiaries (continued)

Acquisition of subsidiaries under common control (continued)

The carrying value of the assets and liabilities of the Target Group as at the acquisition date were:

	Carrying value recognised on acquisition				
	ALJG Group	**BU2**	**GP**	**ACU**	**Total**
	$'000	$'000	$'000	$'000	$'000
Property, plant and equipment	5,190	–	–	45,686	50,876
Right-of-use assets	32,171	–	–	7,037	39,208
Investment in joint venture	1,527	–	–	–	1,527
Intangible assets	3,398	–	–	–	3,398
Deferred tax assets	236	–	–	–	236
Inventories	61,603	–	–	–	61,603
Trade and other receivables	3,231	–	–	41	3,272
Prepayments	522	2	–	5	529
Amount due from joint venture	1	–	–	–	1
Amount due from related parties	121	131	–	–	252
Amount due from immediate holding company	21,284	–	–	667	21,951
Cash and bank balances	1,844	22	–	280	2,146
	131,128	155	–	53,716	184,999
Trade and other payables	(15,172)	(30)	–	(643)	(15,845)
Amount due to joint venture	(667)	–	–	–	(667)
Amount due to related parties	(1,020)	–	–	–	(1,020)
Amount due to holding company	–	–	(14)	–	(14)
Interest-bearing loans	(28,653)	–	–	(41,491)	(70,144)
Lease liabilities	(32,964)	–	–	(7,462)	(40,426)
Provision for taxation	(1,904)	–	–	(70)	(1,974)
Deferred tax liabilities	–	–	–	(996)	(996)
	50,748	125	(14)	3,054	53,913
Gain of control of joint venture (Note 15)	(1,527)	–	–	(1,527)	(3,054)
Total net assets at carrying value	49,221	125	(14)	1,527	50,859
Cash paid, representing total consideration transferred					(30,000)
Issuance of shares					(49,865)
Contingent shares					(5,889)
Amount owing to immediate holding company					(13,000)
Merger reserve (Note 26(c))					(47,895)
Effect of the acquisition of subsidiaries on cash flows					
Cash paid					(30,000)
Less: Cash and cash equivalents of subsidiary acquired					2,146
Net cash outflow on acquisition					(27,854)

15. Investment in joint venture

The Company has Nil (2021: 50%) interest in the ownership and voting rights in AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.) ("**ACU**") amounting to cost of investment of $Nil (2021: $2,000,000).

ACU was incorporated in Singapore and was a strategic venture in the business of investment holding. The Company jointly controlled ACU with a subsidiary under the contractual agreement which provides the Company with rights to the net assets of the joint venture and requires unanimous consent for all major decisions over the relevant activities.

On 30 September 2022, the Company entered into a sale and purchase agreement with ACL to purchase the remaining 50% interest in ACU held by ALJG. Details of the acquisition are disclosed in Note 14. Subsequent to the acquisition, ACU became a wholly owned subsidiary of the Company.

Details of the joint venture are as follow:

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2022	Proportion (%) of ownership interest 2021
(a)	AL Capital (Ubi) Pte. Ltd. (formerly known as Aspial Capital (Ubi) Pte. Ltd.)	Singapore	Real estate activities	–	50

(a) Audited by Ernst & Young LLP, Singapore

15. Investment in joint venture (continued)

The summarised financial information in respect of ACU based on its financial statements prepared in accordance with SFRS(I) and reconciliation with the carrying amount of the investment in the joint venture is as follows:

Summarised statement of financial position

	ACU 2021
	$'000
Cash and bank balances	164
Other current assets	118
Total current assets	282
Non-current assets	54,177
Total assets	54,459
Trade and other payables	652
Current financial liabilities	16,490
Other current liabilities	78
Total current liabilities	17,220
Non-current financial liabilities	33,430
Other non-current liabilities	877
Total non-current liabilities	34,307
Total liabilities	51,527
Net assets	2,932
Proportion of Group's ownership	50%
Group's share of net assets and carrying amount of the investment	1,466

Summarised statement of comprehensive income

	ACU	
	01.01.2022 to 30.09.2022	2021
	$'000	$'000
Revenue	3,910	5,010
Other operating expenses	(1,208)	(1,386)
Depreciation	(1,460)	(1,979)
Finance costs	(967)	(1,039)
Profit before tax	275	606
Income tax expense	(153)	(492)
Profit for the year, representing other comprehensive income	122	114
Proportion of Group's ownership	50%	50%
Group's share of results of joint venture	61	57

16. Derivative financial instruments

	Group					
	2022			2021		
	Contract notional amount	Assets	Liabilities	Contract notional amount	Assets	Liabilities
	$'000	$'000	$'000	$'000	$'000	$'000
Forward currency contracts	48,219	754	(902)	20,756	219	–

The Group entered into foreign currency forward contracts mainly in US Dollar, Australian Dollar and Euro (2021: Australian Dollar and Euro), maturing within the next 12 months (2021: 12 months) to mitigate its exposure to foreign currency risks from Australian Dollar and Euro receivables and sales/purchase denominated in USD for which firm commitment is accounted for as cash flow hedges.

17. Investment securities

	Group	
	2022	2021
	$'000	$'000
Non-current:		
At fair value through other comprehensive income		
- Equity securities (unquoted)		
BigFundr Private Limited	725	500
- Equity securities (quoted)		
Lippo Malls Indonesia Retail Trust	1,116	2,457
Total financial assets measured at fair value through other comprehensive income	1,841	2,957

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

During the financial year ended 31 December 2022, the Group redeemed debt securities held at FVOCI upon their maturity for proceeds of $Nil (2021: $750,000). The cumulative gain arising from derecognition amounted to $Nil (2021: $7,000) and was recognised in profit or loss.

During the financial year ended 31 December 2022, the Group acquired equity instruments designated at FVOCI amounting to $225,000 (2021: $500,000).

Investment pledged as securities

A floating charge has been placed on investment securities with a carrying value of $1,116,000 (2021: $2,457,000) as security for bank borrowings (Note 23).

18. Inventories

	Note	Group 2022	Group 2021
		$'000	$'000
Consolidated statement of financial position:			
Finished goods		166,773	90,927
Raw materials		4,197	–
Packing materials		328	–
		171,298	90,927
Consolidated statement of comprehensive income:			
Inventories recognised as an expense:			
- Material costs		208,785	143,881
- Write-back of inventories	8	(269)	(14)

A floating charge has been placed on inventories with a carrying value of $95,114,000 (2021: $79,768,000) as security for bank borrowings (Note 23).

Write-back of inventories was made when the related inventories were sold above their carrying amounts in 2022.

19. Trade and other receivables

	Note	Group 2022	Group 2021	Company 2022	Company 2021
		$'000	$'000	$'000	$'000
Trade and other receivables (current):					
Trade receivables		362,358	327,526	71	–
Other receivables		20,296	806	–	11
Security deposits		1,597	1,156	–	–
		384,251	329,488	71	11
Other receivables (non-current):					
Security deposits		3,953	2,086	–	–
Total trade and other receivables (current and non-current)		388,204	331,574	71	11
Add/(less):					
Due from subsidiaries (non-trade)	20	–	–	112,867	135,604
Due from related companies (non-trade)	20	93	–	22	–
Due from immediate holding company (non-trade)	20	10	–	–	–
Cash and bank balances	21	30,813	19,735	2,577	4,712
GST receivable, net		(757)	(282)	(71)	–
Total financial assets carried at amortised cost		418,363	351,027	115,466	140,327

19. Trade and other receivables (continued)

Trade receivables comprise pawnshop loans, interest receivables on pawnshop loans, secured lending receivables, interest and distribution receivables on secured lending receivables and trade receivables from retailing and trading of jewellery and branded merchandise.

Pawnshop loans are loans extended to customers under 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 collateral 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% to 16% (2021: 6% to 16%) per annum and are secured by way of debenture over properties (2021: debenture over properties). These receivables have remaining maturities between 3 to 12 months (2021: 1 to 6 months).

Trade receivables from retailing and trading of jewellery and branded merchandise are non-interest-bearing and generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

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

A floating charge has been placed on trade and other receivables with a carrying value of $351,567,000 (2021: $299,007,000) as security for bank borrowings (Note 23). A fixed charge has been placed on trade receivables with a carrying value of $Nil (2021: $5,874,000) as security for term loan from third party (Note 23).

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

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
United States Dollar	119	23	–	–
Australian Dollar	283	9,810	–	–
Euro	4,455	11,889	–	–
Japanese Yen	–	21	–	–
Hong Kong Dollar	89	–	–	–

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL is as follows:

	Note	Group	
		2022	2021
		$'000	$'000
Movement in allowance accounts:			
At 1 January		–	–
Charge for the year	8	(4,033)	(3,852)
Written off		4,033	3,852
At 31 December		–	–

When a customer default occurs, the Group has no reasonable expectation of recovering the interest receivable and therefore, the Group writes off the interest receivable portion of the financial assets. However, this loss is expected to be recoverable when the forfeited pledges are subsequently sold to customers under the Group's retailing and trading of jewellery and branded merchandise business segment (Note 29).

20. Due from subsidiaries (non-trade)
Due from immediate holding company (non-trade)
Due from related companies (non-trade)
Due to immediate holding company (non-trade)
Due to related companies (non-trade)

The amounts due from subsidiaries are unsecured, receivable on demand and are to be settled in cash. These amounts are interest-free except for amounts due from subsidiaries of $2,338,000 (2021: $22,363,000) which bear interest at rates ranging from 1.93% to 7.35% (2021: 1.80% to 7.35%) per annum.

The amounts due from/(to) immediate holding company and related companies are unsecured, interest-free, receivable/(repayable) on demand and are to be settled in cash.

The amounts due from/(to) related companies are unsecured, interest-free, receivable/(repayable) on demand and are to be settled in cash.

21. Cash and bank balances

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Cash at banks and on hand	30,813	19,735	2,577	4,712

A floating charge has been placed on cash and bank balances with a carrying value of $9,034,000 (2021: $6,670,000) as security for bank borrowings (Note 23).

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

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Australian Dollar	1,076	333	–	–
United States Dollar	18	–	–	–

22. Trade and other payables

	Note	Group 2022	Group 2021	Company 2022	Company 2021
		$'000	$'000	$'000	$'000
Trade and other payables (current):					
Trade payables		10,366	597	–	14
Other payables		22,926	758	3	132
Accrued operating expenses					
- Payroll related		5,169	4,023	464	593
- Others		6,209	3,353	1,977	1,709
Deposits received		4,175	3,461	–	–
		48,845	12,192	2,444	2,448
Other payables (non-current):					
Other payables		80	111	–	–
Total trade and other payables (current and non-current)		48,925	12,303	2,444	2,448
Add/(less):					
Due to immediate holding company (non-trade)	20	13,502	6	13,500	6
Due to related companies (non-trade)	20	3,285	3	–	3
Interest-bearing loans	23	448,249	336,297	–	–
Medium-Term Notes	24	59,527	45,250	59,527	45,250
Accrued operating expenses					
- Payroll related		(393)	(370)	(9)	(8)
- Provision for reinstatement cost		(952)	(714)	–	–
- GST payable, net		(1,448)	(426)	–	(14)
Total financial liabilities carried at amortised cost		570,695	392,349	75,462	47,685

Trade and other payables are unsecured, non-interest bearing and settled based on agreed payment terms except for the amount of $19,764,000 (2021: $Nil) which bears interest at range of 4.28% to 6.00% (2021: Nil) per annum.

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

	Group 2022	Group 2021	Company 2022	Company 2021
	$'000	$'000	$'000	$'000
Hong Kong Dollar	1,556	39	–	–
United States Dollar	6,708	92	–	–
Singapore Dollar	47	10	–	–
Euro	860	12	–	–

22. Trade and other payables (continued)

Provision for reinstatement cost

Provision for reinstatement costs is recognised when the Group enters into a lease agreement for its premises. It includes the estimated cost of demolishing and removing the renovations made by the Group to the premises. The premise shall be reinstated to the conditions set out in the lease agreement upon the expiration of the lease agreement.

Movement of provision for reinstatement cost are as follows:

	Group	
	2022	**2021**
	$'000	$'000
At 1 January	714	359
Acquisition of subsidiaries	104	–
Provision	231	360
Utilised	(74)	(5)
Translation difference	(23)	–
At 31 December	952	714

23. Interest-bearing loans

		Group		Company	
	Note	**2022**	**2021**	**2022**	**2021**
		$'000	$'000	$'000	$'000
Secured borrowings					
Current					
Short-term bank borrowings		338,052	243,887	–	–
Term loans		9,998	8,409	–	–
		348,050	252,296	–	–
Non-current					
Term loans		100,199	84,001	–	–
		448,249	336,297	–	–
Add:					
Medium-Term Notes	24	59,527	45,250	59,527	45,250
Total loans and borrowings		507,776	381,547	59,527	45,250

23. Interest-bearing loans (continued)

(a) ***Details of securities in relation to interest-bearing loans are as follows:***

Short-term bank borrowings of $318,914,000 (2021: $236,771,000) are secured by way of fixed and floating charges on all assets of certain subsidiaries and corporate guarantee by the Company. Short-term bank borrowings of $Nil (2021: $2,968,000) are secured by way of secured lending receivables of a subsidiary.

Short-term bank borrowings of $19,138,000 (2021: $4,148,000) are secured by way of legal mortgage over the freehold and leasehold properties (Note 11) and investment properties (Note 12) and corporate guarantee by the Company.

Term loans of $92,892,000 (2021: $71,329,000) bear interest at rates ranging from 1.5% to 6.5% (2021: 1.5% to 3.2%) per annum, are secured by way of legal mortgage over the freehold and leasehold properties (Note 11) and investment properties (Note 12) and corporate guarantee by the Company and/or the immediate holding company.

Term loans of $17,305,000 (2021: $21,081,000) bear interest at rates ranging from 2.00% to 2.5% (2021: 2.00%) per annum and are secured by way of corporate guarantee by the Company.

(b) ***Effective interest rate***

Weighted average effective annual interest rates of interest-bearing loans at the end of the financial year are as follows:

	Group	
	2022	**2021**
Short-term bank borrowings	3.11%	1.91%
Term loans	1.93%	2.27%

24. Medium-Term Notes

			Aggregate principal amount outstanding			
			Group		Company	
Date issued	**Interest rate**	**Maturity date**	**2022**	**2021**	**2022**	**2021**
	%		$'000	$'000	$'000	$'000
Current						
22 July 2019	6.35	22 July 2022	–	45,250	–	45,250
			–	45,250	–	45,250
Non-current						
24 January 2022	6.05	24 January 2025	59,527	–	59,527	–
Total			59,527	45,250	59,527	45,250

In 2017, the Company established a Multicurrency Medium-Term Note programme ("**MTN Programme**"), under which the Company 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 Company under the MTN Programme are unsecured.

As at 31 December 2021, the Company had $45,250,000 of Series 002 notes at 6.35% due on 22 July 2022.

24. Medium-Term Notes (continued)

On 3 January 2022, the Company issued an updated Information Memorandum relating to the MTN Programme and issued a Notice of Tender for Series 002 notes of $7,000,000 and Exchange Offer Exercise (the "**Exercise**") to Series 002 note holders of $23,250,000.

Upon completion of the Exercise on 24 January 2022, the Company issued $60,000,000 6.05% notes due 24 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 Company on maturity.

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

				Non-cash changes			
Group	**1 January**	**Net cash flows from financing activities**	**Medium-Term Notes issuance fee**	**Translation difference**	**Acquisition of subsidiaries**	**Amortisation of Medium-Term Notes issuance fee**	**31 December**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2022							
Medium-Term Notes	45,250	14,750	(836)	–	–	363	59,527
Short-term bank borrowings	243,887	54,082	–	(67)	40,150	–	338,052
Term loans	92,410	(12,207)	–	–	29,994	–	110,197
Total	381,547	56,625	(836)	(67)	70,144	363	507,776
2021							
Medium-Term Notes	45,250	–	–	–	–	–	45,250
Short-term bank borrowings	196,379	47,520	–	(12)	–	–	243,887
Term loans	69,141	23.269	–	–	–	–	92,410
Total	310,770	70,789	–	(12)	–	–	381,547

25. Leases

Group as a lessee

The Group has lease contracts for land and retail stores used in its operations. Lease of land have lease terms of 37 years and retail stores generally have lease terms between 2 and 7 years. The Group's obligations under the leases are secured by the respective lessor's title to 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 retail stores with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemption 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 year:

Group	**Land**	**Retail stores**	**Total**
	$'000	$'000	$'000
At 1 January 2021	–	34,046	34,046
Additions	–	9,026	9,026
Depreciation	–	(11,028)	(11,028)
Modification	–	2,156	2,156
Termination	–	(761)	(761)
Translation difference	–	(125)	(125)
At 31 December 2021 and 1 January 2022	–	33,314	33,314
Additions	–	6,063	6,063
Depreciation	(52)	(13,860)	(13,912)
Modification	–	21,259	21,259
Termination	–	(3,434)	(3,434)
Impairment	–	(189)	(189)
Acquisition of subsidiaries	7,037	32,171	39,208
Translation difference	–	(211)	(211)
At 31 December 2022	6,985	75,113	82,098

Impairment of right-of-use assets

During the financial year ended 31 December 2022, the Group undertook an assessment of the recoverable amounts of the right-of-use assets with indicators of impairment. As a result of the assessment, the Group recorded impairment loss of $189,000 (2021: $Nil) to its recoverable amounts arising from the closure of certain outlets under the pawnbroking segment, recognised in "Other operating expenses" in the consolidated statement of comprehensive income.

25. 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 year:

	Group 2022	Group 2021
	$'000	$'000
As at 1 January	34,410	34,941
Cash flow:		
Payments	(15,236)	(11,805)
Non-cash changes:		
Accretion of interest	1,475	1,002
Additions	6,063	9,026
Modification	21,122	2,156
Termination	(3,540)	(761)
Acquisition of subsidiaries	40,426	–
Translation difference	(296)	(149)
As at 31 December	84,424	34,410
Current portion	21,101	10,304
Non-current portion	63,323	24,106
	84,424	34,410

The maturity analysis of lease liabilities is disclosed in Note 31(a).

(c) *Amounts recognised in profit or loss*

The following are the amounts recognised in profit or loss:

	Note	Group 2022	Group 2021
		$'000	$'000
Depreciation of right-of-use assets		13,912	11,028
Interest expense on lease liabilities	6	1,475	1,002
Impairment loss on right-of-use assets	8	189	–
Gain on termination/modification of leases	7	(243)	–
Lease expenses relating to short-term leases (included in other operating expenses)	8	1,618	2,370
Variable lease payments (included in other operating expenses)			
- Contingent rent	8	411	163
- COVID-19-related rent concessions	7	(68)	(2,165)
Total amount recognised in profit or loss		17,294	12,398

25. Leases (continued)

Group as a lessee (continued)

(d) *Total cash outflow*

The Group had total cash outflows for leases of $17,197,000 (2021: $12,173,000) in 2022.

(e) *Extension options*

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. These have been capitalised in the right-of-use assets and lease liabilities.

Group as a lessor

The Group has entered into commercial property subleases of its retail stores, leasehold properties and investment properties. These non-cancellable leases have remaining lease terms of less than three years.

Rental income recognised by the Group during the year is $1,659,000 (2021: $1,329,000).

Future minimum rentals receivable under non-cancellable operating leases contracted for as at 31 December are as follows:

	Group	
	2022	**2021**
	$'000	$'000
Not later than one year	1,089	1,170
Later than one year but not later than five years	958	320
	2,047	1,490

26. Share capital, treasury shares and other reserves

(a) ***Share capital***

	Group and Company			
	2022		**2021**	
	No. of shares	$'000	No. of shares	$'000
Issued and fully paid ordinary shares:				
Balance at 1 January	1,067,252,356	142,341	1,035,252,356	137,286
Issuance of ordinary shares	311,656,441	49,865	32,000,000	5,184
Share issuance expense	–	–	–	(129)
Balance at 31 December	1,378,908,797	192,206	1,067,252,356	142,341

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.

On 30 September 2022, the Company completed the acquisition of subsidiaries which was partly settled by way of issuance of 311,656,441 new ordinary shares of the Company.

On 13 December 2021, the Company issued an aggregate of 32,000,000 ordinary shares at an issue price of $0.162 for cash via a private placement.

26. Share capital, treasury shares and other reserves (continued)

(b) ***Treasury shares***

	Group and Company			
	2022		2021	
	No. of shares	$'000	No. of shares	$'000
At 1 January	325,122	59	66,122	9
Share buyback through open market [(1)(3)]	884,000	145	1,148,500	209
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan [(2)(4)]	(1,100,800)	(185)	(889,500)	(159)
Balance at 31 December	108,322	19	325,122	59

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

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

(3) On 9 June 2021, the Company purchased an aggregate of 1,148,500 shares, which are held as treasury shares.

(4) On 25 June 2021, the Company issued 889,500 treasury shares to eligible employees under the Maxi-Cash Performance Share Plan.

(c) ***Other reserves***

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Fair value adjustment reserve	(1,564)	(451)	–	–
Loss on reissuance of treasury shares	(28)	(23)	(28)	(23)
Foreign currency translation reserve	403	(17)	–	–
Capital reserve	5,889	–	5,889	–
Merger reserve	(53,309)	(5,414)	–	–
Change in ownership interest in subsidiary without a change in control	(34)	(23)	–	–
Hedging reserve	(70)	–	–	–
	(48,713)	(5,928)	5,861	(23)

Fair value adjustment reserve

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

Loss on reissuance of treasury shares

This represents the loss arising from treasury shares re-issued pursuant to Maxi-Cash Performance Share Plan.

26. Share capital, treasury shares and other reserves (continued)

(c) ***Other reserves (continued)***

Foreign currency translation reserve

This 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.

Merger reserve

This represents reserve on acquisition of subsidiaries under common control from Aspial Corporation Limited as follows:

- Acquisition of Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) and its subsidiaries, BU2 Services Pte. Ltd., Gold Purple Pte. Ltd. in 2022 amounting to $47,895,000 (Note 14),

- Acquisition of Aspial Property Investment Pte. Ltd. (Amalgamated with Maxi-Cash Property Pte. Ltd. pursuant to Section 215A and Section 215D of the Companies Act 1967, with Maxi-Cash Property Pte. Ltd. remaining as the surviving entity) in 2019 amounting to $3,913,000, and

- Acquisition of Maxi-Cash Retail Pte. Ltd. (previously known as Citigems Pte. Ltd.) in 2018 amounting to $1,501,000.

Capital reserve

Balance as at 31 December 2022 of the Group and Company includes $5,889,000 arising from 36,809,815 contingent shares issuable in relation to earn-out consideration for the acquisition of Aspial Lifestyle Jewellery Group Pte. Ltd. (formerly known as Aspial-Lee Hwa Jewellery Singapore Pte. Ltd.) and its subsidiaries, BU2 Services Pte. Ltd., Gold Purple Pte. Ltd. as disclosed in Note 14 to the financial statements.

Hedging reserve

Hedging reserve represents the cumulative fair value changes on foreign currency forward contracts accounted for as cash flow hedge.

27. Related party transactions

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

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:

	Note	Group 2022	Group 2021
		$'000	$'000
Sales to a related company		(170)	(424)
Management services to related companies	7	(314)	(195)
Purchases from a related company		247	381
Corporate services charged by a related company		3,477	2,877
Rental charged by a joint venture		1,530	2,019
Management services charged by a related company		–	38
Rental income from related companies		(143)	–
Purchase of computer software from a related company		2,564	–
Acquisition of subsidiaries from immediate holding company		98,755	–

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

	Group 2022	Group 2021
	$'000	$'000
Short-term employee benefits	2,243	1,671
Central Provident Fund contributions	88	53
Total compensation paid to key management personnel	2,331	1,724
Comprise amounts paid to:		
Directors of the Company	1,154	918
Other key management personnel	1,177	806
	2,331	1,724

28. Contingent liabilities

Guarantees

The Company has provided corporate guarantees to banks for loans extended to a joint venture, in proportion to its equity interest, amounting to $Nil (2021: $21,190,000) at the end of the financial year.

The Company has provided corporate guarantees to banks for an aggregate amount of $398,857,000 (2021: $333,329,000) in respect of bank borrowings of certain subsidiaries (Note 23).

29. Segmental 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 respective products and services. 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 services and serves different markets.

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

(a) Pawnbroking;

(b) Money lending; and

(c) Retailing and trading of jewellery and branded merchandise.

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

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.

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

29. Segmental information (continued)

	Pawnbroking	Money lending	Retailing and trading of jewellery and branded merchandise	Others	Elimination	Note	Total
	$'000	$'000	$'000	$'000	$'000		$'000
2022							
Revenue	51,526	2,122	265,360	–	–		319,008
Inter-segment revenue	44,727	–	22	–	(44,749)	A	–
Results							
Segment results	17,678	1,396	18,246	17,024	(16,041)		38,303
Share of result of joint venture	–	–	–	61	–		61
Interest income	–	–	210	1,845	(1,411)		644
Dividend income from equity securities	–	–	–	198	–		198
Finance costs	(8,712)	(1,016)	(1,970)	(7,115)	1,411		(17,402)
Profit before tax	8,966	380	16,486	12,013	(16,041)	B	21,804
Segment assets	422,215	10,285	271,448	333,348	(210,814)	C	826,482
Total assets							826,482
Segment liabilities	373,828	10,251	194,603	298,212	(210,776)	D	666,118
Total liabilities							666,118
Capital expenditure	1,640	–	730	61	–		2,431
Depreciation and amortisation	11,141	–	5,612	1,512	–		18,265
Other significant non-cash expenses/(income)	362	–	129	(1,676)	–	E	(1,185)

29. Segmental information (continued)

	Pawnbroking	Money lending	Retailing and trading of jewellery and branded merchandise	Others	Elimination	Note	Total
	$'000	$'000	$'000	$'000	$'000		$'000
2021							
Revenue	46,043	2,082	177,578	–	–		225,703
Inter-segment revenue	41,121	–	13	–	(41,134)	A	–
Results							
Segment results	13,136	1,661	9,421	17,819	(14,675)		27,362
Share of result of joint venture	–	–	–	57	–		57
Interest income	8	–	–	1,118	(1,098)		28
Dividend income from equity securities	–	–	–	298	–		298
Finance costs	(5,166)	(816)	(666)	(4,612)	1,098		(10,162)
Profit before tax	7,978	845	8,755	14,680	(14,675)	B	17,583
Segment assets	380,139	23,299	108,526	286,492	(217,978)	C	580,478
Investment in joint venture	–	–	–	1,466	–		1,466
Total assets							581,944
Segment liabilities	332,638	22,422	95,415	198,810	(217,897)	D	431,388
Total liabilities							431,388
Capital expenditure	1,821	–	899	22,535	–		25,255
Depreciation and amortisation	11,829	–	1,727	953	–		14,509
Other significant non-cash expenses/(income)	242	–	(14)	(40)	–	E	188

29. Segmental information (continued)

Notes

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit to arrive at "profit before tax" presented in the consolidated statements of comprehensive income:

	Group	
	2022	**2021**
	$'000	$'000
Profit from inter-segment sales	(16,041)	(14,675)

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

	Group	
	2022	**2021**
	$'000	$'000
Inter-segment assets	(210,814)	(217,978)

D The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position:

	Group	
	2022	**2021**
	$'000	$'000
Inter-segment liabilities	(210,776)	(217,897)

E Other non-cash expenses consist of the following items, as presented in the respective notes to the financial statements:

		Group	
	Note	**2022**	**2021**
		$'000	$'000
Loss on disposal/write-off of property, plant and equipment	8	278	134
Fair value gain on investment properties	7	(800)	(40)
Write-back of inventories	8	(269)	(14)
Financial losses on pledged items not fully covered by insurance	8	10	108
Impairment loss on property, plant and equipment	8	526	–
Impairment loss on right-of-use assets	8	189	
Gain on disposal of investment properties	7	(876)	–
Gain on termination/modification of leases	7	(243)	–
		(1,185)	188

29. Segmental information (continued)

Geographical segments

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

	Group			
	Revenue		Non-current assets	
	2022	**2021**	**2022**	**2021**
	$'000	$'000	$'000	$'000
Singapore	299,809	212,440	227,472	124,501
Others	19,199	13,263	2,145	8,207
	319,008	225,703	229,617	132,708

Non-current assets information presented above comprise property, plant and equipment, investment properties, right-of-use assets, intangible assets and investment in joint venture as presented in the consolidated statement of financial position.

30. Dividends

	Group and Company	
	2022	**2021**
	$'000	$'000
Dividends on ordinary shares paid during the year		
Interim exempt (one-tier) dividend in respect of profits for 2020: 1.45 cent per share based on 1,035,186,234 shares	–	15,010
Interim exempt (one-tier) dividend in respect of profits for 2021: 0.60 (2021: 0.65) cent per share based on 1,066,927,234 shares (2021: 1,034,927,234) shares	6,402	6,727
Interim exempt (one-tier) dividend in respect of profits for 2022: 0.65 cent per share based on 1,066,927,234 shares	6,935	–
	13,337	21,737

On 23 February 2023, the Company proposed a one-tier interim exempt dividend of $5,515,000 (0.40 cent per share) for the financial year ended 31 December 2022. The interim dividend was approved by the Board of Directors on 23 February 2023.

31. 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 and credit risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Assistant Finance Director. 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.

31. Financial risk management objectives and policies (continued)

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.

(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.

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

Analysis of financial instruments by remaining contractual maturities

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

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Group				
2022				
Financial assets:				
Trade and other receivables	383,857	3,953	–	387,810
Due from related companies (non-trade)	93	–	–	93
Due from immediate holding company (non-trade)	10	–	–	10
Investment securities	–	–	1,841	1,841
Derivative financial instruments	754	–	–	754
Cash and bank balances	30,813	–	–	30,813
Total undiscounted financial assets	415,527	3,953	1,841	421,321
Financial liabilities:				
Trade and other payables	46,052	80	–	46,132
Due to immediate holding company (non-trade)	13,502	–	–	13,502
Due to related companies (non-trade)	3,285	–	–	3,285
Interest-bearing loans	352,582	57,017	58,831	468,430
Derivative financial instruments	902	–	–	902
Medium-Term Notes	3,630	63,385	–	67,015
Lease liabilities	22,768	57,660	13,527	93,955
Total undiscounted financial liabilities	442,721	178,142	72,358	693,221
Total net undiscounted financial liabilities	(27,194)	(174,189)	(70,517)	(271,900)

31. Financial risk management objectives and policies (continued)

(a) ***Liquidity risk (continued)***

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Group				
2021				
Financial assets:				
Trade and other receivables	330,176	2,086	–	332,262
Investment securities	–	–	2,957	2,957
Derivative financial instruments	219	–	–	219
Cash and bank balances	19,735	–	–	19,735
Total undiscounted financial assets	350,130	2,086	2,957	355,173
Financial liabilities:				
Trade and other payables	10,682	111	–	10,793
Due to immediate holding company (non-trade)	6	–	–	6
Due to related companies (non-trade)	3	–	–	3
Interest-bearing loans	254,449	34,940	62,850	352,239
Medium-Term Notes	46,840	–	–	46,840
Lease liabilities	11,101	23,483	1,782	36,366
Total undiscounted financial liabilities	323,081	58,534	64,632	446,247
Total net undiscounted financial assets/ (liabilities)	27,049	(56,448)	(61,675)	(91,074)

31. Financial risk management objectives and policies (continued)

(a) ***Liquidity risk (continued)***

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Company				
2022				
Financial assets:				
Due from subsidiaries (non-trade)	113,003	–	–	113,003
Due from related company (non-trade)	22	–	–	22
Cash and bank balances	2,577	–	–	2,577
Total undiscounted financial assets	115,602	–	–	115,602
Financial liabilities:				
Trade and other payables	2,435	–	–	2,435
Medium-Term Notes	3,630	63,385	–	67,015
Due to immediate holding company (non-trade)	13,500	–	–	13,500
Total undiscounted financial liabilities	19,565	63,385	–	82,950
Total net undiscounted financial assets/ (liabilities)	96,037	(63,385)	–	32,652
Financial guarantees*	313,360	35,131	50,366	398,857
2021				
Financial assets:				
Trade and other receivables	11	–	–	11
Due from subsidiaries (non-trade)	137,591	–	–	137,591
Cash and bank balances	4,712	–	–	4,712
Total undiscounted financial assets	142,314	–	–	142,314
Financial liabilities:				
Trade and other payables	2,426	–	–	2,426
Medium-Term Notes	46,840	–	–	46,840
Due to immediate holding company (non-trade)	6	–	–	6
Due to related companies (non-trade)	3	–	–	3
Total undiscounted financial liabilities	49,275	–	–	49,275
Total net undiscounted financial assets	93,039	–	–	93,039
Financial guarantees*	257,521	42,447	54,551	354,519

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

31. 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 its term loans and short term borrowings. Other than the Medium-Term Notes and certain bank borrowings which are at fixed rates, the Group's loans 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, term notes of $59,527,000 (2021: $45,250,000) and interest-bearing loans of $17,305,000 (2021: $24,049,000) are at fixed rates of interest.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if SGD interest rates had been 50 (2021: 50) basis points lower/higher with all other variables held constant, the Group's profit net of tax would have been $1,789,000 (2021: $1,296,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate term loans and short term borrowings.

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

The Group has transactional currency exposures arising from sales or purchases that are that are denominated in a currency other than the respective functional currencies of the Group's entities. The foreign currencies in which these transactions are denominated are mainly Australian Dollar ("**AUD**"), Euro ("**EUR**"), United State Dollar ("**USD**") and Hong Kong Dollar ("**HKD**").

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

As disclosed in Note 16, the Group entered into forward currency contracts during the financial year to mitigate its exposure to foreign currency risks on Australian Dollar, Euro and United State Dollar.

Sensitivity analysis for foreign currency risk

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

	2022	**2021**
	Profit before tax	**Profit before tax**
	$'000	$'000
	(lower)/ higher	(lower)/ higher
AUD - strengthened 5% (2021: 5%)	68	17
- weakened 5% (2021: 5%)	(68)	(17)

31. Financial risk management objectives and policies (continued)

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

Sensitivity analysis for foreign currency risk (continued)

	2022 Profit before tax	2021 Profit before tax
	$'000 (lower)/ higher	$'000 (lower)/ higher
USD - strengthened 5% (2021: 5%)	(329)	(3)
- weakened 5% (2021: 5%)	329	3
EUR - strengthened 5% (2021: 5%)	43	(1)
- weakened 5% (2021: 5%)	(43)	1
HKD - strengthened 5% (2021: 5%)	(73)	(2)
- weakened 5% (2021: 5%)	73	2

(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 exposure to credit risk arises primarily from trade receivables and quoted debt instruments. The Group minimises credit risk by requiring collateral and/or dealing with credit worthy counterparties.

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 has determined the default event on a financial asset to be when the counterparty fails to make contractual payments.

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 forward-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 borrowers in the Group and changes in the operating results of the borrower.

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

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

Secured lending receivables (Note 19)

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.

Pawnshop loans (Note 19)

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.

Interest receivables on pawnshop loans (Note 19)

When customer default occurs, the Group has no reasonable expectations of recovering the interest receivable and therefore, the Group writes off the interest receivable portion of the financial assets. However, this loss is expected to be recoverable when the forfeited pledges are subsequently sold to customers under the Group's retail and trading of jewellery and branded merchandise business segment (Note 29).

Expected credit losses of pawnshop loans and interest receivables on pawnshop loans

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 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 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 as well as considering any forward-looking information.

31. Financial risk management objectives and policies (continued)

(d) ***Credit risk (continued)***

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring significant counterparties of its trade receivables on an ongoing basis. At the end of the financial year, 100% (2021: 100%) of the Group's trade receivables in the money lending business segment were due from 3 debtors (2021: 3 debtors).

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

32. Fair value of assets and liabilities (continued)

(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 at the end of the financial year:

	Note	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant un-observable inputs (Level 3)	Total
		$'000	$'000	$'000	$'000
Group					
2022					
Financial assets					
At fair value through other comprehensive income					
- Equity securities (unquoted)	17	–	–	725	725
- Equity securities (quoted)	17	1,116	–	–	1,116
At fair value through profit or loss					
- Forward currency contracts	16	–	754	–	754
		1,116	754	725	2,595
Non-financial assets					
- Investment properties	12	–	11,650	–	11,650
Financial liabilities					
At fair value through profit or loss					
- Forward currency contracts	16	–	902	–	902

32. Fair value of assets and liabilities (continued)

(b) ***Assets and liabilities measured at fair value (continued)***

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the financial year:

	Note	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant un-observable inputs (Level 3)	Total
		$'000	$'000	$'000	$'000
Group					
2021					
Financial assets					
At fair value through other comprehensive income					
- Equity securities (unquoted)	17	–	–	500	500
- Equity securities (quoted)	17	2,457	–	–	2,457
At fair value through profit or loss					
- Forward currency contracts	16	–	219	–	219
		2,457	219	500	3,176
Non-financial assets					
- Investment properties	12	–	16,850	–	16,850

There are no transfers of assets or liabilities between Levels 1, 2 and 3.

(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:

Forward currency contracts

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.

32. 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				
Unquoted equity securities at fair value through other comprehensive income (Note 17)	725	Market approach	Note 1	Not applicable
Investment properties (Note 12)	11,650	Market comparable approach	Price per square feet	$1,781 to $4,009

Description	Fair value at 31 December 2021	Valuation techniques	Unobservable inputs	Range of unobservable inputs
	$'000			
Recurring fair value measurements				
Unquoted equity securities at fair value through other comprehensive income (Note 17)	500	Market approach	Note 1	Not applicable
Investment properties (Note 12)	16,850	Market comparable approach	Price per square feet	$1,830 to $8,420

Note 1 – Unquoted equity securities at fair value through other comprehensive income

The valuation of investment in unquoted equity securities is based on the latest round of funding exercised by the investee.

Note 2 – Investment properties

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.

32. Fair value of assets and liabilities (continued)

(d) ***Level 3 fair value measurements (continued)***

(ii) *Movements in Level 3 assets and liabilities measured at fair value*

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)		
	Equity securities (unquoted)	**Investment properties**	**Total**
	$'000	$'000	$'000
Group			
2022			
Opening balance	500	16,850	17,350
Purchases	225	–	225
Disposal	–	(6,000)	(6,000)
Fair value gain on investment properties	–	800	800
Closing balance	725	11,650	12,375
2021			
Opening balance	–	10,810	10,810
Transfer from property, plant and equipment	–	6,000	6,000
Purchases	500	–	500
Fair value gain on investment properties	–	40	40
Closing balance	500	16,850	17,350

Fair value gain on investment properties is recognised in "Other income" in the consolidated statement of comprehensive income.

(iii) *Valuation policies and procedures*

The Group's Assistant Finance Director 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.

32. 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, management has 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) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value***

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	Fair value measurements at the end of the financial year using		
	Quoted prices in active markets for identical assets (Level 1)	**Significant unobservable inputs (Level 3)**	**Carrying amount**
	$'000	$'000	$'000
Group			
2022			
Financial assets:			
Non-current:			
Deposits	–	3,688	3,953
Financial liabilities:			
Non-current:			
Term notes	59,527	–	59,527
2021			
Financial assets:			
Non-current:			
Deposits	–	1,989	2,086
Financial liabilities:			
Non-current:			
Term notes	44,402	–	45,250

32. Fair value of assets and liabilities (continued)

(e) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value (continued)***

	Fair value measurements at the end of the financial year using		
	Quoted prices in active markets for identical assets (Level 1)	**Significant unobservable inputs (Level 3)**	**Carrying amount**
	$'000	$'000	$'000
Company			
2022			
Financial liabilities:			
Non-current:			
Medium-Term Notes	59,527	–	59,527
2021			
Financial liabilities:			
Non-current:			
Medium-Term Notes	44,402	–	45,250

Determination of fair value

Trade and other receivables

The fair values as disclosed in the table above are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the end of the financial year.

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 financial year.

33. Capital commitment

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.

34. 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 processes during the years ended 31 December 2022 and 2021. The Group does not have any externally imposed capital requirements.

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, trade and other payables, due to related companies (non-trade), due to immediate holding company (non-trade), derivative financial instruments, interest-bearing loans, Medium-Term Notes and lease liabilities, less cash and bank balances. Capital refers to equity attributable to owners of the Company.

		Group	
	Note	2022	2021
		$'000	$'000
Trade and other payables	22	48,925	12,303
Due to related companies (non-trade)	20	3,285	3
Due to immediate holding company (non-trade)	20	13,502	6
Derivative financial instruments	16	902	–
Interest-bearing loans	23	448,249	336,297
Medium-Term Notes	24	59,527	45,250
Lease liabilities	25(b)	84,424	34,410
Less: Cash and bank balances	21	(30,813)	(19,735)
Net debt		628,001	408,534
Equity attributable to owners of the Company		159,193	149,426
Capital and net debt		787,194	557,960
Gearing ratio		79.8%	73.2%

35. Events occurring after the reporting period

Acquisition and Put Option arrangement with Maxion Holding Sdn. Bhd.

On 1 December 2022, Maxi Cash (Malaysia) Sdn. Bhd. ("**Maxi-Cash Malaysia**"), a wholly-owned subsidiary of the Group, entered into a 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 the Group'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.

36. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2022 were authorised for issue in accordance with a directors' resolution dated 24 March 2023.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF ASPIAL LIFESTYLE LIMITED (FORMERLY KNOWN AS MAXI-CASH FINANCIAL SERVICES CORPORATION LTD.) AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The information in this Appendix III has been reproduced from the annual report of Aspial Lifestyle Limited (formerly known as Maxi-Cash Financial Services Corporation Ltd.) for the financial year ended 31 December 2023 and has not been specifically prepared for inclusion in this Information Memorandum. Investors should read the consolidated financial data in conjunction with the related notes.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aspial Lifestyle Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the statements of financial position of the Group and the Company as at 31 December 2023, the statements of changes in equity of the Group and the 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 material accounting policy information.

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 2023 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 the 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.

Allowance for expected credit losses on pawnshop loans and interest receivables on pawnshop loans

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.

Key audit matters (continued)

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

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 19 to the financial statements.

Existence of pledges, cash and inventories

The total amount of pledges, cash and inventories 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 confirmations 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 outlet audits on daily cash counts and inventory counts at selected outlets. We obtained an understanding of internal controls with respect to the physical safeguards over pledges and inventories. We performed verification of pledges by taking a sample of pledges held on open pawn tickets and matched details of pledges to the physical pledges during our planned and surprise visit to the outlets. 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 21, 19 and 18 respectively, to the financial statements.

Acquisition of subsidiaries

On 3 January 2023, the Group completed the acquisition of 65% stake of the issued share capital of Maxion Holdings Sdn. Bhd. ("**Maxion Group**") for a purchase consideration of up to $8,812,000 which comprise cash and earn-out consideration payable in accordance with the terms of the Acquisition Agreement. The acquisition of Maxion Group was accounted for using the acquisition method and the Group performed a purchase price allocation ("**PPA**") exercise as disclosed in Note 14 to the financial statements.

Significant judgement and estimates were made in the PPA exercise on the identification of intangible assets, valuation of the acquired assets and liabilities and measurement of the earn out consideration and fair value of derivative liabilities as part of the purchase consideration. Given the quantitative materiality of this acquisition, the significant management judgement required in the PPA exercise, we considered the accounting for the acquisition of Maxion Group as a key audit matter.

Key audit matters (continued)

Acquisition of subsidiaries (continued)

In auditing the accounting for the acquisition, we read the relevant agreements to obtain an understanding of the transaction and the key terms. We corroborated the identification of the intangible assets based on discussion with management and our understanding of the Maxion Group. We assessed the competency, capabilities and objectivity of the external valuers by considering their professional background, reputation and experience in similar industry. We engaged our internal valuation specialists to assist us in reviewing the appropriateness of the valuation methodology used by management in the fair valuation of acquired assets and liabilities, including determining whether the assumptions used in valuing the acquired intangible assets were consistent with what a market participant would use. We also assessed the adequacy and appropriateness of the disclosures in Note 14 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.

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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
1 April 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

	Note	2023	2022
		$'000	$'000
Revenue	4	471,581	319,008
Material costs		(307,105)	(208,785)
Employee benefits expenses	5	(50,217)	(31,706)
Depreciation and amortisation		(30,440)	(18,265)
Finance costs	6	(29,708)	(17,402)
Other operating expenses		(38,019)	(28,688)
Interest income		568	644
Dividend income from equity securities		2	198
Rental income	25	2,921	1,659
Other income	7	4,099	5,080
Share of results of associate		17	–
Share of results of joint venture		–	61
Profit before tax	8	23,699	21,804
Income tax expense	9(a)	(3,927)	(5,727)
Profit for the year		19,772	16,077
Other comprehensive income			
Items that will not be reclassified to profit or loss (net of tax):			
Net fair value changes on equity securities at fair value through other comprehensive income ("**FVOCI**")		(539)	(1,113)
Items that may be reclassified subsequently to profit or loss (net of tax):			
Net loss on cash flow hedge		(1,209)	(70)
Foreign currency translation		208	420
Other comprehensive income for the year, net of tax		(1,540)	(763)
Total comprehensive income for the year		18,232	15,314
Profit for the year attributable to:			
Owners of the Company		19,191	15,984
Non-controlling interests		581	93
		19,772	16,077
Total comprehensive income attributable to:			
Owners of the Company		17,478	15,221
Non-controlling interests		754	93
		18,232	15,314
Earnings per share (cents)			
Basic and diluted	10	1.36	1.39

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Non-current assets					
Property, plant and equipment	11	126,745	129,217	25	22
Investment properties	12	4,950	11,650	–	–
Right-of-use assets	25(a)	82,399	82,098	–	–
Intangible assets	13	11,990	6,652	–	–
Other receivables	19	4,094	3,953	–	–
Investment in subsidiaries	14	–	–	162,996	162,996
Investment in associate	15	20	–	–	–
Investment securities	17	1,477	1,841	–	–
Deferred tax assets	9(c)	1,674	1,378	25	79
		233,349	236,789	163,046	163,097
Current assets					
Inventories	18	170,475	171,298	–	–
Trade and other receivables	19	479,838	384,251	–	71
Prepayments		2,075	2,474	17	31
Due from subsidiaries (non-trade)	20	–	–	107,396	112,867
Due from related companies (non-trade)	20	329	93	–	22
Due from immediate holding company (non-trade)	20	–	10	–	–
Derivative financial instruments	16	1,518	754	–	–
Cash and bank balances	21	32,641	30,813	3,592	2,577
		686,876	589,693	111,005	115,568
Total assets		920,225	826,482	274,051	278,665
Current liabilities					
Trade and other payables	22	103,692	48,845	2,279	2,444
Due to immediate holding company (non-trade)	20	8,792	13,502	8,769	13,500
Due to related companies (non-trade)	20	2,300	3,285	–	–
Derivative financial instruments	16	2,797	902	–	–
Provision for taxation		5,064	5,957	–	72
Interest-bearing loans	23	390,470	348,050	–	–
Lease liabilities	25(b)	21,470	21,101	–	–
		534,585	441,642	11,048	16,016
Net current assets		152,291	148,051	99,957	99,552
Non-current liabilities					
Other payables	22	546	80	–	–
Interest-bearing loans	23	89,993	100,199	–	–
Medium-Term Notes	24	59,763	59,527	59,763	59,527
Deferred tax liabilities	9(c)	1,238	1,347	–	–
Lease liabilities	25(b)	63,045	63,323	–	–
		214,585	224,476	59,763	59,527
Total liabilities		749,170	666,118	70,811	75,543
Net assets		171,055	160,364	203,240	203,122
Equity attributable to owners of the Company					
Share capital	26(a)	198,486	192,206	198,486	192,206
Treasury shares	26(b)	(19)	(19)	(19)	(19)
Other reserves	26(c)	(56,315)	(48,713)	(28)	5,861
Revenue reserve		23,732	15,719	4,801	5,074
		165,884	159,193	203,240	203,122
Non-controlling interests		5,171	1,171	–	–
Total equity		171,055	160,364	203,240	203,122
Total equity and liabilities		920,225	826,482	274,051	278,665

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 2023

	Note	Share capital $'000	Treasury shares $'000	Other reserves $'000	Revenue reserve $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
		Attributable to owners of the Company						
Group								
At 1 January 2022		142,341	(59)	(5,928)	13,072	149,426	1,130	150,556
Profit for the year		-	-	-	15,984	15,984	93	16,077
Other comprehensive income								
Foreign currency translation		-	-	420	-	420	-	420
Net fair value changes in equity securities at FVOCI		-	-	(1,113)	-	(1,113)	-	(1,113)
Net loss on cash flow hedge		-	-	(70)	-	(70)	-	(70)
Other comprehensive income for the year, net of tax		-	-	(763)	-	(763)	-	(763)
Total comprehensive income for the year		-	-	(763)	15,984	15,221	93	15,314
Contributions by and distributions to owners								
Dividends on ordinary shares - Cash	30	-	-	-	(13,337)	(13,337)	-	(13,337)
Issuance of ordinary shares	26(a)	49,865	-	-	-	49,865	-	49,865
Purchase of treasury shares	26(b)	-	(145)	-	-	(145)	-	(145)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	26(b)	-	185	(5)	-	180	-	180
Acquisition of subsidiaries		-	-	(42,006)	-	(42,006)	-	(42,006)
Change in ownership interests in subsidiaries without a change in control		-	-	(11)	-	(11)	(52)	(63)
Total contributions by and distributions to owners		49,865	40	(42,022)	(13,337)	(5,454)	(52)	(5,506)
At 31 December 2022		192,206	(19)	(48,713)	15,719	159,193	1,171	160,364
At 1 January 2023		192,206	(19)	(48,713)	15,719	159,193	1,171	160,364
Profit for the year		-	-	-	19,191	19,191	581	19,772
Other comprehensive income								
Foreign currency translation		-	-	35	-	35	173	208
Net fair value changes in equity securities at FVOCI		-	-	(539)	-	(539)	-	(539)
Net loss on cash flow hedge		-	-	(1,209)	-	(1,209)	-	(1,209)
Other comprehensive income for the year, net of tax		-	-	(1,713)	-	(1,713)	173	(1,540)
Total comprehensive income for the year		-	-	(1,713)	19,191	17,478	754	18,232
Contributions by and distributions to owners								
Dividends on ordinary shares - Cash	30	-	-	-	(10,787)	(10,787)	(300)	(11,087)
Dividends on ordinary shares - Scrip	26(a), 30	391	-	-	(391)	-	-	-
Issuance of ordinary shares	26(a)	5,889	-	(5,889)	-	-	-	-
Capital contribution from non-controlling interest		-	-	-	-	-	1,607	1,607
Acquisition of subsidiaries	14	-	-	-	-	-	1,939	1,939
Total contributions by and distributions to owners		6,280	-	(5,889)	(11,178)	(10,787)	3,246	(7,541)
At 31 December 2023		198,486	(19)	(56,315)	23,732	165,884	5,171	171,055

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

For the financial year ended 31 December 2023

	Note	Share capital	Treasury shares	Other reserves	Revenue reserve	Total
		$'000	$'000	$'000	$'000	$'000
Company						
At 1 January 2022		142,341	(59)	(23)	6,413	148,672
Profit for the year		–	–	–	11,998	11,998
Total comprehensive income for the year		–	–	–	11,998	11,998
Contributions by and distributions to owners						
Dividends on ordinary shares – Cash	30	–	–	–	(13,337)	(13,337)
Issuance of ordinary shares	26(a)	49,865	–	–	–	49,865
Purchase of treasury shares	26(b)	–	(145)	–	–	(145)
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan	26(b)	–	185	(5)	–	180
Acquisition of subsidiaries	14	–	–	5,889	–	5,889
Total contributions by and distributions to owners		49,865	40	5,884	(13,337)	42,452
At 31 December 2022		192,206	(19)	5,861	5,074	203,122
At 1 January 2023		192,206	(19)	5,861	5,074	203,122
Profit for the year		–	–	–	10,905	10,905
Total comprehensive income for the year		–	–	–	10,905	10,905
Contributions by and distributions to owners						
Dividends on ordinary shares – Cash	30	–	–	–	(10,787)	(10,787)
Dividends on ordinary shares – Scrip	26(a), 30	391	–	–	(391)	–
Issuance of ordinary shares	26(a)	5,889	–	(5,889)	–	–
Total contributions by and distributions to owners		6,280	–	(5,889)	(11,178)	(10,787)
At 31 December 2023		198,486	(19)	(28)	4,801	203,240

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 2023

	Note	2023	2022
		$'000	$'000
Operating activities			
Profit before tax		23,699	21,804
Adjustments for:			
Depreciation of property, plant and equipment	8	6,812	4,295
Fair value gain on investment properties	7	–	(800)
Depreciation of right-of-use assets	8	22,361	13,912
Write-back of inventories	8	(266)	(269)
Interest expense	6	29,708	17,402
Interest income		(568)	(2,766)
Dividend income from equity securities		(2)	(198)
Allowance for expected credit losses on interest receivables	8	5,327	4,033
Financial losses on pledged items not fully covered by insurance	8	376	10
Loss on disposal/write-off of property, plant and equipment	8	341	278
Net fair value change on derivatives	7,8	(78)	296
Intangible assets written off	8	115	–
Amortisation of prepaid rent	8	1	3
Amortisation of intangible assets	8	1,266	55
Unrealised foreign exchange differences		98	95
Share of results of associate		(17)	–
Share of results of joint venture		–	(61)
Impairment loss on right-of-use assets	8	–	189
Impairment loss on property, plant and equipment	8	79	526
Gain on termination/modification of leases	7	(23)	(243)
Loss/(gain) on disposal of investment property	7,8	500	(876)
Operating cash flows before changes in working capital		89,729	57,685
Changes in working capital			
Decrease/(increase) in inventories		1,093	(18,498)
Increase in trade and other receivables		(88,644)	(58,722)
Decrease/(increase) in prepayments		434	(976)
Increase in trade and other payables		46,458	20,863
Total changes in working capital		(40,659)	(57,333)
Cash flows from operations		49,070	352
Interest paid		(27,418)	(15,564)
Interest received		568	644
Income taxes paid		(5,889)	(2,652)
Net cash flows from/(used in) operating activities		16,331	(17,220)

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 2023

	Note	2023	2022
		$'000	$'000
Investing activities			
Purchase of property, plant and equipment	11	(4,506)	(2,431)
Interest received		12	3,678
Dividends received from equity securities		1	198
Purchase of investment securities		(285)	(225)
Net cash outflow on acquisition of subsidiaries	14	(5,601)	(27,854)
Subscription of shares in associate		(3)	-
Proceeds from disposal of investment property		6,200	6,876
Proceeds from disposal of property, plant and equipment		107	-
Purchase of intangible assets	13	(1,165)	(3,309)
(Increase)/decrease in amount due from a related company (non-trade)		(236)	828
Net cash flows used in investing activities		(5,476)	(22,239)
Financing activities			
Repayment of Medium-Term Notes	24	-	(22,000)
Proceeds from issuance of Medium-Term Notes	24	-	36,750
Medium-Term Notes issuance fee paid	24	-	(836)
Proceeds of short-term bank borrowings	24	84,993	133,524
Repayment from short-term bank borrowings	24	(44,299)	(79,442)
Proceeds from term loans	24	27,392	6,144
Repayment of term loans	24	(37,210)	(18,351)
Purchase of treasury shares	26(b)	-	(145)
(Decrease)/increase in amount due to immediate holding company (non-trade), net		(4,699)	21,756
(Decrease)/increase amount due to related companies (non-trade), net		(984)	1,655
Proceeds from issuance of ordinary shares by subsidiaries to non-controlling interests		1,607	-
Dividends paid on ordinary shares	30	(10,787)	(13,337)
Dividends paid to non-controlling interest of subsidiary		(300)	-
Interest paid on lease liabilities	25(c)	(2,290)	(1,475)
Payment of principal portion of lease liabilities	25(b)	(22,468)	(13,761)
Acquisition of non-controlling interests in subsidiaries		-	(52)
Net cash flows (used in)/from financing activities		(9,045)	50,430
Net increase in cash and cash equivalents		1,810	10,971
Effect of exchange rate changes on cash and cash equivalents		18	107
Cash and cash equivalents at the beginning of the financial year		30,813	19,735
Cash and cash equivalents at the end of the financial year	21	32,641	30,813

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

1. Corporate information

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

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

The Company's registered office is located at 80 Raffles Place, #32-01 UOB Plaza 1, Singapore 048624 and its principal place of business is located at 55 Ubi Avenue 3, #04-08, Singapore 408864.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

Related companies refer to entities belonging to the Aspial Corporation Limited group of companies.

2. Material accounting policy information

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 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

2. Material accounting policy information (continued)

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: 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) 1-21: Lack of Exchangeability	1 January 2025
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.

2.4 ***Basis of consolidation and business combination***

(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.

(b) *Business combination 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.

2. Material accounting policy information (continued)

2.4 ***Basis of consolidation and business combination (continued)***

(b) *Business combination and goodwill (continued)*

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 ***Business combination involving entities under common control***

Business combinations involving entities under common control are accounted for by applying the pooling of interest method which involves the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company.
- No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities.
- No additional goodwill is recognised as a result of the combination.
- Any difference between the consideration paid/transferred and the equity 'acquired' is reflected within the equity under other reserves.
- The statement of comprehensive income reflects the results of the combining entities prospectively from the date on which the business combination occurred.

2.6 ***Transactions with non-controlling interests***

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

2. Material accounting policy information (continued)

2.6 ***Transactions with non-controlling interests (continued)***

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.

2.7 ***Foreign currency***

The financial statements are presented in Singapore Dollars ("**SGD**"), 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 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 financial year. 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 financial year are recognised in profit or loss.

(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.

2.8 ***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.

2. Material accounting policy information (continued)

2.8 ***Property, plant and equipment (continued)***

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

Freehold properties	–	50 years
Leasehold properties	–	36 to 69 years
Renovations, electrical fittings, furniture and fittings	–	3 to 5 years
Air-conditioners, office and security equipment	–	3 to 5 years
Showroom tools and machinery	–	5 years
Computers	–	3 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 life 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 de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.9 ***Investment properties***

Investment properties are properties that are either owned by the Group that are 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.

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.

2.10 ***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.

2. Material accounting policy information (continued)

2.10 ***Intangible assets (continued)***

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.

Customer relationships

Customer relationships were acquired in business combination and are amortised on a straight-line basis over its useful life of 5 years.

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 to 7 years.

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 licence is estimated to have indefinite useful lives 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.

2.11 ***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.

2. Material accounting policy information (continued)

2.11 ***Impairment of non-financial assets (continued)***

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.

2.12 ***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.

2.13 ***Financial instruments***

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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

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 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 amortised cost, FVOCI and fair value through profit or loss ("**FVPL**"). The Group has debt instruments at amortised cost.

2. Material accounting policy information (continued)

2.13 ***Financial instruments (continued)***

(a) *Financial assets (continued)*

Subsequent measurement *(continued)*

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 amortisation process.

Investments in equity instruments

On initial recognition of an investment in 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.

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 for debt instruments 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.

Regular way purchases and sales

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(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.

2. Material accounting policy information (continued)

2.13 ***Financial instruments (continued)***

(b) *Financial liabilities (continued)*

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. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.14 ***Hedge accounting***

The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting.

For the purpose of hedge accounting, hedges are classified as:

- In fair value hedges when hedging the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment;

- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or

- hedges of a net investment in a foreign operation.

The Group applies hedge accounting for cash flow hedges.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss.

The Group uses commodity swaps as hedges for its exposure to volatility in the commodity prices.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

When a cash flow hedge is discontinued, the cumulative gain or loss previously recognised in other comprehensive income will remain in the cash flow hedge reserve until the future cash flows occur if the hedged future cash flows are still expected to occur or reclassified to profit or loss immediately if the hedged future cash flows are no longer expected to occur.

2. Material accounting policy information (continued)

2.15 ***Impairment of financial assets***

The Group estimates the ECLs for all debt instruments not held at fair value through profit or loss. 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 on 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 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 for 12-months 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.

Due from subsidiaries (non-trade), due from immediate holding company (non-trade), due from related companies (non-trade), loan receivables

The Group uses the general approach and estimates for 12-months 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.

2.16 ***Cash and cash equivalents***

Cash and cash equivalents comprise cash at banks including fixed deposits and cash on hand.

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.

2. Material accounting policy information (continued)

2.17 ***Inventories (continued)***

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 ***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.

2.19 ***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".

2.20 ***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 2.15 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.21 ***Borrowing costs***

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

2. Material accounting policy information (continued)

2.22 ***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 financial year is recognised for services rendered by employees up to the end of the financial year.

(c) *Employee share award plan*

The immediate holding company's 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.

2.23 ***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.

Group as a 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 to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *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:

Retail stores	–	2 to 7 years
Land	–	37 years
Motor vehicle	–	5 years

2. Material accounting policy information (continued)

2.23 ***Leases (continued)***

Group as a lessee (continued)

(a) *Right-of-use assets (continued)*

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 2.11.

(b) *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.

(c) *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). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Group as a 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. Rental income arising from operating lease is accounted for on a straight-line basis over the lease terms and is included in the consolidated statement of comprehensive income due to its operating nature. 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 rental income in the period in which they are earned.

2. Material accounting policy information (continued)

2.24 ***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 good or service to the customer, which is when the customer obtains control of the good 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) *Sale of goods*

Revenue from sale of jewellery and branded merchandise and unredeemed articles are 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.

(b) *Interest income*

Interest income is recognised using the effective interest method.

(c) *Rental income from operating leases*

Rental income 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.

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 authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the financial year, in Singapore 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. Material accounting policy information (continued)

2.25 ***Taxes (continued)***

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the financial year 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 an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, 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 the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, 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 financial year 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 financial year 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 financial year.

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.

2. Material accounting policy information (continued)

2.25 ***Taxes (continued)***

(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.

2.26 ***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.

2.27 ***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.

2.28 ***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 consolidated statement of financial position 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.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated 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 financial year. 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 ***Judgments made in applying accounting policies***

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

Acquisition of subsidiaries

The Group has exercised significant judgement regarding the allocation of the purchase price to the assets and liabilities acquired for the acquisition of Maxion Group, including judgement made related to the identification of the intangible assets and key assumptions such as pre-tax discount rate, fair value adjustments to the carrying amount of assets and liabilities of the acquired business, useful life of intangible assets acquired and the allocation of the resultant goodwill.

3.2 ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *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 well as considering any forward-looking 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 include the pawnshop loans and interest receivables on pawnshop loans at the end of the financial year is disclosed in Note 19 to the financial statements.

(b) *Allowance for inventories*

The Group periodically assesses the allowance for inventories. 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 inventories. The carrying amount of the Group's inventories at the end of the financial year is disclosed in Note 18 to the financial statements.

4. Revenue

	Group	
	2023	2022
	$'000	$'000
Sale of jewellery and branded merchandise, recognised at a point in time	407,465	265,360
Sale of unredeemed articles, recognised at a point in time	2,791	–
Interest income from pawnbroking services	60,776	51,526
Interest income from secured lending	549	2,122
	471,581	319,008

5. Employee benefits expenses

	Group	
	2023	2022
	$'000	$'000
Employee benefits expenses:		
- Salaries and bonuses	45,074	28,402
- Contribution to defined contribution plans	5,143	3,304
	50,217	31,706

6. Finance costs

		Group	
	Note	2023	2022
		$'000	$'000
Interest expense on:			
- Short-term bank borrowings		19,230	9,024
- Term loans		3,949	2,491
- Medium-Term Notes		3,630	4,049
- Advances from immediate holding company		369	–
- Bank overdraft		4	–
- Lease liabilities	25(c)	2,290	1,475
		29,472	17,039
Amortisation of prepaid commitment fee		236	363
		29,708	17,402

7. Other income

		Group	
	Note	2023	2022
		$'000	$'000
Net foreign exchange gain		258	931
COVID-19-related rent concessions	25(c)	–	68
Gain on forfeited customer advances		385	314
Gain on termination/modification of leases	25(c)	23	243
Gain on disposal of investment property		–	876
Management services to related companies	27(a)	295	314
Net fair value gain on investment properties	12	–	800
Administrative and processing fee income		1,997	104
Government grants		909	1,409
Net fair value gain on derivative financial instruments		78	–
Miscellaneous income		154	21
		4,099	5,080

Government grants comprises mainly Wage Credit Scheme, Special Employment Credit, Job Growth Incentive and Skills Development Fund.

8. Profit before tax

The following items have been included in arriving at profit before tax:

		Group	
	Note	2023	2022
		$'000	$'000
Audit fees:			
- Auditor of the Company		397	318
- Other auditors		140	141
Non-audit fees:			
- Auditor of the Company		99	70
- Other auditors		17	39
Amortisation of prepaid rent		1	3
Amortisation of intangible asset	13	1,266	55
Depreciation of property, plant and equipment	11	6,812	4,295
Depreciation of right-of-use assets	25(a)	22,361	13,912
Lease expense not capitalised in lease liabilities:		1,232	2,029
- Expense relating to short-term leases	25(c)	214	1,618
- Variable lease payments	25(c)	1,018	411
Loss on disposal/write-off of property, plant and equipment		341	278
Net fair value (gain)/loss on derivative financial instruments		(78)	296
Allowance for expected credit losses on interest receivables	19	5,327	4,033
Write-back of inventories	18	(266)	(269)
Financial losses on pledged items not fully covered by insurance		376	10
Branding and marketing related costs		4,867	2,935
Impairment loss on right-of-use assets	25(c)	-	189
Impairment loss on property, plant and equipment	11	79	526
Loss/(gain) on disposal of investment property		500	(876)
Intangible assets written off		115	-

9. Income tax

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

The major components of income tax expense for the years ended 31 December 2023 and 2022 are:

	Group	
	2023	**2022**
	$'000	$'000
Consolidated statement of comprehensive income:		
Current income tax		
Current income taxation	5,014	3,814
(Over)/under provision in respect of previous years	(28)	96
	4,986	3,910
Deferred tax		
Origination and reversal of temporary differences	(336)	1,141
(Over)/under provision in respect of previous years	(723)	648
	(1,059)	1,789
Withholding tax	–	28
Income tax expense recognised in profit or loss	3,927	5,727
Deferred tax expense related to other comprehensive income		
Net loss on fair value changes on equity securities	(110)	(228)

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

The reconciliation between tax expense and the product of profit before tax multiplied by the applicable corporate tax rate for the years ended 31 December 2023 and 2022 are as follows:

	Group	
	2023	**2022**
	$'000	$'000
Profit before tax	23,699	21,804
Tax calculated at a tax rate of 17% (2022: 17%)	4,029	3,707
Adjustments:		
Differences in effective tax rate in other countries	231	–
Expenses not deductible for tax purposes	1,562	1,761
Income not subject to tax	(839)	(288)
Effect of partial tax exemption and tax relief	(285)	(279)
(Over)/under provision in respect of previous years	(751)	744
Withholding tax paid	–	28
Effect of foreign tax credit	–	(14)
Others	(20)	68
Income tax expense recognised in profit or loss	3,927	5,727

9. Income tax (continued)

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

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Balance at 1 January	(31)	(2,678)	(79)	4
Acquisition of subsidiaries	764	760	–	–
(Credited)/charged to profit or loss	(1,059)	2,115	54	(83)
Credited to other comprehensive income	(110)	(228)	–	–
Balance at 31 December	(436)	(31)	(25)	(79)

Deferred income tax prior to offsetting of balances within the same tax jurisdiction as at 31 December relates to the following:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Deferred tax (assets)/liabilities				
Difference in depreciation	2,190	1,478	4	3
Lease liabilities	(14,227)	(13,978)	–	–
Right-of-use assets	13,863	13,671	–	–
Provisions	(206)	(159)	–	(2)
Unutilised tax losses and allowances	(722)	(730)	(29)	(80)
Fair value change in equity securities at FVOCI	(430)	(320)	–	–
Allowance for expected credit losses	(301)	–	–	–
Intangible assets	(590)	–	–	–
Others	(13)	7	–	–
	(436)	(31)	(25)	(79)

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current income tax assets and current income tax liabilities and when deferred tax relate to the same fiscal authority. The amounts of deferred tax assets and liabilities determined after appropriate offsetting are as follows:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Deferred tax liabilities	1,238	1,347	–	–
Deferred tax assets	(1,674)	(1,378)	(25)	(79)
	(436)	(31)	(25)	(79)

The subsidiaries of the Group transferred tax losses of approximately $Nil (2022: $816,000) to other subsidiaries within the Group under the group relief system, subject to compliance with the relevant rules and agreement of Inland Revenue Authority of Singapore.

9. Income tax (continued)

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

Tax consequences of proposed dividends

There are no income tax consequences (2022: $Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 30).

10. Earnings per share

Basic earnings per share computation is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares (excluding treasury shares).

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

The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the years ended 31 December 2023 and 2022:

	Group	
	2023	**2022**
Profit for the year attributable to owners of the Company used in the computation of basic and diluted earnings per share ($'000)	19,191	15,984
Weighted average number of ordinary shares (excluding treasury shares) for basic and diluted earnings per share computation	1,415,953,448	1,146,493,692
Earnings per share (cents)		
– basic and diluted	1.36	1.39

11. Property, plant and equipment

Group	Freehold properties	Leasehold properties	Renovations, electrical fittings, furniture and fittings	Air-conditioners, office and security equipment	Showroom tools and machinery	Computers	Motor vehicles	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost									
At 1 January 2022	15,183	61,143	10,567	3,904	853	2,267	205	373	94,495
Additions	-	-	1,375	231	47	124	-	654	2,431
Acquisition of subsidiary (Note 14)	-	42,032	4,386	1,112	155	156	33	3,002	50,876
Disposals	-	-	(915)	(213)	(46)	(52)	-	(40)	(1,266)
Transfer in/(out)	-	-	1,720	64	99	182	-	(2,065)	-
Translation difference	-	-	(120)	(32)	(3)	(11)	-	-	(166)
At 31 December 2022 and 1 January 2023	15,183	103,175	17,013	5,066	1,105	2,666	238	1,924	146,370
Additions	-	-	1,039	333	323	470	-	2,341	4,506
Acquisition of subsidiary (Note 14)	-	-	255	93	29	14	-	-	391
Disposals	-	-	(1,508)	(362)	(42)	(42)	(238)	(175)	(2,367)
Transfer in/(out)	-	-	2,930	179	58	84	-	(3,251)	-
Translation difference	-	-	(71)	(19)	(3)	(8)	-	-	(101)
At 31 December 2023	15,183	103,175	19,658	5,290	1,470	3,184	-	(839)	148,799

11. Property, plant and equipment (continued)

Group	Freehold properties	Leasehold properties	Renovations, electrical fittings, furniture and fittings	Air-conditioners, office and security equipment	Showroom tools and machinery	Computers	Motor vehicles	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated depreciation and impairment loss									
At 1 January 2022	21	1,170	6,762	2,991	664	1,705	104	–	13,417
Depreciation	9	1,304	2,063	398	99	384	38	–	4,295
Disposals	–	–	(714)	(186)	(38)	(50)	–	–	(988)
Impairment loss	–	–	386	128	4	8	–	–	526
Translation difference	–	–	(68)	(21)	(1)	(7)	–	–	(97)
At 31 December 2022 and 1 January 2023	30	2,474	8,429	3,310	728	2,040	142	–	17,153
Depreciation	10	2,237	3,335	486	205	501	38	–	6,812
Disposals	–	–	(1,336)	(331)	(32)	(40)	(180)	–	(1,919)
Impairment loss	–	–	57	18	–	4	–	–	79
Translation difference	–	–	(48)	(14)	(2)	(7)	–	–	(71)
At 31 December 2023	40	4,711	10,437	3,469	899	2,498	–	–	22,054
Net carrying amount									
At 31 December 2022	15,153	100,701	8,584	1,756	377	626	96	1,924	129,217
At 31 December 2023	15,143	98,464	9,221	1,821	571	686	–	839	126,745

11. Property, plant and equipment (continued)

Company	Renovations, electrical fittings, furniture and fittings	Air-conditioners, office and security equipment	Showroom tools and machinery	Computers	Total
	$'000	$'000	$'000	$'000	$'000
Cost					
At 1 January 2022	6	15	5	246	272
Additions	–	–	–	1	1
At 31 December 2022 and 1 January 2023	6	15	5	247	273
Additions	–	–	–	19	19
At 31 December 2023	6	15	5	266	292
Accumulated depreciation					
At 1 January 2022	1	13	5	220	239
Depreciation charge for the year	1	1	–	10	12
At 31 December 2022 and 1 January 2023	2	14	5	230	251
Depreciation charge for the year	1	1	–	14	16
At 31 December 2023	3	15	5	244	267
Net carrying amount					
At 31 December 2022	4	1	–	17	22
At 31 December 2023	3	–	–	22	25

Impairment of property, plant and equipment

During the financial year ended 31 December 2023, the Group undertook an assessment of the recoverable amounts of property, plant and equipment with indicators of impairment. As a result of the assessment, the Group recorded an impairment loss of $79,000 (2022: $526,000) arising from the planned closure of certain outlets under the pawnbroking segment, recognised in "other operating expenses" in the consolidated statement of comprehensive income.

As at 31 December 2023, floating charge on property, plant and equipment of certain subsidiaries and fixed charge freehold properties and leasehold properties with carrying amounts of $3,529,000 (2022: $3,408,000), $15,143,000 (2022: $15,153,000) and $98,464,000 (2022: $100,701,000) respectively are pledged to banks as security for bank borrowings (Note 23).

12. Investment properties

Investment properties held by the Group are as follows:

Description and location	Existing use	Tenure	Unexpired lease term
709 Ang Mo Kio Avenue 8 #01-2593, Singapore	Retail	Leasehold	61 years

	Note	Group 2023	Group 2022
		$'000	$'000
At 1 January		11,650	16,850
Net fair value gain recognised in profit or loss	7	–	800
Disposal		(6,700)	(6,000)
At 31 December		4,950	11,650
Consolidated statement of comprehensive income:			
Rental income from investment properties/property, plant and equipment		359	324
Direct operating expenses arising from rental generating properties		(39)	(53)

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.

As at 31 December 2023, investment properties with a carrying value of $4,950,000 (2022: $11,650,000) are pledged to banks as security for bank borrowings (Note 23).

Valuation of investment properties

The valuations were performed by external appraisers with a recognised and relevant professional qualification and with recent experience in the location and category of the properties being valued. Details of valuation techniques and inputs used are disclosed in Note 32.

13. Intangible assets

Group	Goodwill	Customer Relationships	Computer software	Licence	Total
	$'000	$'000	$'000	$'000	$'000
Cost					
At 1 January 2022	–	–	–	–	–
Additions	–	–	2,809	500	3,309
Acquisition of a subsidiary	3,221	–	177	–	3,398
At 31 December 2022 and 1 January 2023	3,221	–	2,986	500	6,707
Additions	–	–	1,165	–	1,165
Disposals	–	–	(115)	–	(115)
Acquisition of a subsidiary (Note 14)	2,459	3,076	–	–	5,535
At 31 December 2023	5,680	3,076	4,036	500	13,292
Accumulated amortisation					
At 1 January 2022	–	–	–	–	–
Amortisation	–	–	55	–	55
At 31 December 2022 and 1 January 2023	–	–	55	–	55
Amortisation	–	633	633	–	1,266
Translation difference	–	(19)	–	–	(19)
At 31 December 2023	–	614	688	–	1,302
Net carrying amount					
At 31 December 2022	3,221	–	2,931	500	6,652
At 31 December 2023	5,680	2,462	3,348	500	11,990

Impairment testing of goodwill

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

The carrying amount of goodwill allocated to each CGU is as follows:

	Group	
	2023	**2022**
	$'000	$'000
Goldheart Jewelry Pte. Ltd.	3,221	3,221
Maxion Holdings Sdn. Bhd. and its subsidiaries	2,459	–

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

13. Intangible assets (continued)

Impairment testing of goodwill (continued)

The calculation of value-in-use for the CGUs are the 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 CGUs and industry.

Pre-tax discount rate – Discount rate represent the current market assessment of the risks specific to the CGUs, 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 CGUs and derived from its weighted average cost of capital. The pre-tax discount rates applied to the cash flow projections for GHJ and Maxion Group are 11.1% and 11.4% (2022: 13.0% and Nil%) respectively, which reflect management's estimation of the risks specific to the segments.

Growth rates – The forecasted growth rates are based on management's judgement applied in the financial budgets which include average growth rates. The growth rates applied range from 1.1% to 1.2% (2022: 1.1% to 1.2%) for the budget covering 5 years with a terminal growth rate of 1.7% (2022: 1.7%) for GHJ, and 11% to 26% for the budget covering 5 years with a terminal growth rate of 3.3% for Maxion Group.

Sensitivity analysis

With respect to the assessment of value-in-use for the respective CGUs, management believed that no reasonable possible changes in any of the key assumptions would cause the carrying values of the CGUs Group to materially exceed their recoverable amounts.

14. Investment in subsidiaries

	Company	
	2023	**2022**
	$'000	$'000
Unquoted equity shares, at cost	162,996	162,996

14. Investment in subsidiaries (continued)

The Company had the following subsidiaries:

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2023	2022
	Held by the Company				
(a)	Maxi-Cash Group Pte. Ltd.	Singapore	Investment holding and provision of management services	100	100
(a)	Maxi-Cash Jewellery Group Pte. Ltd.	Singapore	Trading and retailing of jewellery and branded merchandise	100	100
(a)	Maxi-Cash Property Pte. Ltd.	Singapore	Real estate activities	100	100
(a)	Maxi-Cash Investment Holding Pte. Ltd.	Singapore	Investment holding	100	100
(a)	Maxi-Cash Capital Management Pte. Ltd.	Singapore	Secured lending and investment holding	100	100
(a)	Aspial Lifestyle International Pte. Ltd. (formerly known as Maxi-Cash International Pte. Ltd.)	Singapore	Investment holding and provision of management services	100	100
(a)	Maxi-Cash Retail Pte. Ltd.	Singapore	Jewellery retailing	100	100
(a)	Aspial Lifestyle Jewellery Group Pte. Ltd.	Singapore	Jewellery manufacturing	100	100
(d)	Gold Purple Pte. Ltd.	Singapore	Inactive	100	100
(d)	BU2 Services Pte. Ltd.	Singapore	Inactive	100	100
(a)	AL Capital (Ubi) Pte. Ltd.	Singapore	Real estate activities	50	50
	Held by Maxi-Cash Jewellery Group Pte. Ltd.				
(a)	AL Treasury Pte. Ltd.	Singapore	Provision of other financial services	100	100

14. Investment in subsidiaries (continued)

The Company had the following subsidiaries (continued):

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2023	2022
	Held by Maxi-Cash Group Pte. Ltd.				
(a)	Maxi-Cash (North) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (East) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (Central) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (West) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (Clementi) Pte. Ltd.	Singapore	Pawn brokerage	70	70
(a)	Maxi-Cash Capital Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash Assets Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash Ventures Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (Central 2) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (East 2) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(a)	Maxi-Cash (North East) Pte. Ltd.	Singapore	Pawn brokerage	100	100
(d)	MC Client Service Pte. Ltd.	Singapore	Inactive	100	100
	Held by Maxi-Cash Capital Management Pte. Ltd.				
(a)	Maxi-Cash Financial Pte. Ltd.	Singapore	Investment holding and provision of management services	100	100
	Held by Maxi-Cash Financial Pte. Ltd.				
(a)	Maxi-Cash Leasing Pte. Ltd.	Singapore	Secured Lending	100	100
(e)	Pit-Stop Credit (SG) Pte. Ltd.	Singapore	Inactive	100	100
	Held by Aspial Lifestyle Jewellery Group Pte. Ltd.				
(a)	Lee Hwa Jewellery Pte. Ltd.	Singapore	Jewellery retailing	100	100
(a)	Goldheart Jewelry Pte. Ltd.	Singapore	Jewellery retailing	100	100
(a)	AL Capital (Ubi) Pte. Ltd.	Singapore	Real estate activities	50	50

14. Investment in subsidiaries (continued)

The Company had the following subsidiaries (continued):

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2023	2022
	Held by Aspial Lifestyle International Pte. Ltd.				
(b)	Maxi Cash (Malaysia) Sdn. Bhd.	Malaysia	Investment holding and provision of management services	100	100
(c)	Maxi-Cash (Australia) Pty. Ltd.	Australia	Investment holding and provision of management services	100	100
(b)	Maxi-Cash (Hong Kong) Co. Ltd.	Hong Kong	Investment holding and provision of management services	100	100
(f)	Aspial Lifestyle Business Services Sdn. Bhd.	Malaysia	Investment holding and provision of management services	100	–
	Held by Maxi Cash (Malaysia) Sdn. Bhd.				
(b)	Maxi Cash (Penang) Sdn. Bhd.	Malaysia	Inactive	100	100
(b)	Maxi Cash (Southern) Sdn. Bhd.	Malaysia	Investment holding and provision of management services	100	100
(b)	LuxeSTYLE (Malaysia) Sdn. Bhd.	Malaysia	Trading and retailing of jewellery and branded merchandise	100	100
(b)	Maxi-Cash Trading Sdn. Bhd.	Malaysia	Inactive	100	100
(b)	MX Properties Sdn. Bhd.	Malaysia	Real estate activities	65	–
(b)	Maxion Holdings Sdn. Bhd.	Malaysia	Investment holding and provision of management services	65	–
	Held by Maxi Cash (Penang) Sdn. Bhd.				
(b)	Max Cash (George Town) Sdn. Bhd.	Malaysia	Inactive	100	100

14. Investment in subsidiaries (continued)

The Company had the following subsidiaries (continued):

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2023	2022
	Held by Maxi Cash (Southern) Sdn. Bhd.				
(b)	Maxi Cash (S1) Sdn. Bhd.	Malaysia	Pawn brokerage	100	100
(b)	Maxi Cash (S2) Sdn. Bhd.	Malaysia	Pawn brokerage	100	100
(b)	Maxi Cash (S3) Sdn. Bhd.	Malaysia	Pawn brokerage	100	100
(b)	Maxi Cash (KL1) Sdn. Bhd.	Malaysia	Pawn brokerage	100	100
(b)	Maxi Cash (KL2) Sdn. Bhd.	Malaysia	Pawn brokerage	100	100
	Held by Maxion Holdings Sdn. Bhd.				
(b)	Pajak Gadai Ion Sdn. Bhd.	Malaysia	Pawn brokerage	65	–
(b)	PG Ion Sdn. Bhd.	Malaysia	Pawn brokerage	65	–
(b)	PG Ion (BSJ) Sdn. Bhd.	Malaysia	Pawn brokerage	65	–
(b)	DRP1 Sdn. Bhd.	Malaysia	Inactive	65	–
(b)	DRP2 Sdn. Bhd.	Malaysia	Pawn brokerage	65	–
(b)	DRP3 Sdn. Bhd.	Malaysia	Inactive	65	–
(b)	DRP4 Sdn. Bhd.	Malaysia	Pawn brokerage	65	–
(b)	DRP5 Sdn. Bhd.	Malaysia	Inactive	65	–
(b)	DRP6 Sdn. Bhd.	Malaysia	Inactive	65	–
(b)	DRP7 Sdn. Bhd.	Malaysia	Pawn brokerage	65	–
(b)	DRP8 Sdn. Bhd.	Malaysia	Inactive	65	–
(b)	DRP9 Sdn. Bhd.	Malaysia	Inactive	65	–
(b)	DRP10 Sdn. Bhd.	Malaysia	Inactive	65	–
(b)	Kedai Dremas Sdn. Bhd.	Malaysia	Trading and retailing of jewellery and branded merchandise	65	–
	Held by Maxi-Cash (Australia) Pty. Ltd.				
(c)	Maxi-Cash Melbourne (VIC) Pty. Ltd.	Australia	Inactive	100	100
(c)	LuxeSTYLE (Australia) Pty. Ltd.	Australia	Inactive	100	100

14. Investment in subsidiaries (continued)

The Company had the following subsidiaries (continued):

	Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2023	2022
	Held by Maxi-Cash (Hong Kong) Co. Ltd.				
(b)	Maxi-Cash (HKI) Co. Ltd.	Hong Kong	Pawn brokerage	100	100
(b)	Maxi-Cash Retail (HKI) Co. Ltd.	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 The Field Group, Melbourne
(d) Exempted from statutory audit as the Company is dormant
(e) Audited by Acumen Associates LLP, Singapore
(f) The subsidiary was incorporated during the financial year end, and the first set of audited financial statements will be for the period ended 31 December 2024

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

The Group has the following subsidiaries that has NCI which is material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest	Profit allocated to NCI during the reporting period	Accumulated NCI at the end of the reporting period	Dividends paid to NCI
			$'000	$'000	$'000
2023					
Maxi-Cash (Clementi) Pte. Ltd.	Singapore	30%	102	1,273	300
Maxion Holdings Sdn. Bhd. and its subsidiaries	Malaysia	35%	481	4,199	–
2022					
Maxi-Cash (Clementi) Pte. Ltd.	Singapore	30%	100	1,171	–

Summarised financial information about subsidiary with material NCI

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

14. Investment in subsidiaries (continued)

Summarised statement of financial position

	Maxion Holdings Sdn. Bhd. and its subsidiaries	Maxi-Cash (Clementi) Pte. Ltd.	
	2023	2023	2022
	$'000	$'000	$'000
Current			
Assets	22,674	9,424	10,076
Liabilities	(11,710)	(6,233)	(6,219)
Net current assets	10,964	3,191	3,857
Non-current			
Assets	3,773	10	6
Liabilities	(934)	–	(1)
Net non-current assets	2,839	10	5
Net assets	13,803	3,201	3,862

Summarised statement of comprehensive income

	Maxion Holdings Sdn. Bhd. and its subsidiaries	Maxi-Cash (Clementi) Pte. Ltd.	
	2023	2023	2022
	$'000	$'000	$'000
Revenue	10,978	2,427	1,991
Profit before income tax	1,222	380	357
Income tax credit/(expense)	152	(41)	(45)
Profit for the year, representing total comprehensive income	1,374	339	312

Other summarised information

	Maxion Holdings Sdn. Bhd. and its subsidiaries	Maxi-Cash (Clementi) Pte. Ltd.	
	2023	2023	2022
	$'000	$'000	$'000
Net cash flows from/(used in) operations	3,898	1,273	(750)

14. Investment in subsidiaries (continued)

Acquisition of Maxion Group

On 3 January 2023, the Group completed the acquisition of 65% of the issued shares in the capital of Maxion Group, for a total cash consideration of up to $8,812,000 which comprise cash consideration of $5,943,000 and gross earn-out consideration of up to $2,869,000 which will be payable based on achievement of certain performance targets by Maxion Group.

The reason for acquisition is to strengthen the Group's presence in Malaysia and provide opportunities for growth. The Group has elected to measure the non-controlling interest at the non-controlling interest's share of Maxion Group's net identifiable assets.

The fair values of the identifiable assets and liabilities of Maxion Group as at the acquisition date were:

	Fair value recognised on acquisition
	$'000
Property, plant and equipment	391
Right-of-use assets	458
Customer relationships	3,076
Inventories	5
Trade and other receivables	13,201
Cash and bank balances	342
	17,473
Trade and other payables	(94)
Amount due to related and other parties	(5,365)
Amount due to shareholders	(1,184)
Interest-bearing loans	(1,721)
Lease liabilities	(464)
Provision for taxation	(3)
Deferred tax liabilities	(764)
Total identifiable net assets at fair value	7,878
Non-controlling interest measured at the non-controlling interest's proportionate share of Maxion Group's net identifiable assets	(1,939)
Goodwill arising from acquisition	2,459
	8,398
<u>Consideration transferred for the acquisition of Maxion Group</u>	
Cash consideration	5,943
Contingent consideration	2,455
	8,398
<u>Effect of the acquisition of subsidiaries on cash flows</u>	
Cash consideration	5,943
Less: Cash and bank balances of subsidiaries acquired	(342)
Net cash outflow on acquisition	5,601

14. Investment in subsidiaries (continued)

Acquisition of Maxion Group (continued)

Derivative instrument issued as part of consideration transferred

As part of the transaction, the Group has also granted put options to the vendor on completion of the acquisition in which the vendor may require the Group to purchase the remaining 35% interest in shares of Maxion Group for a consideration based on the exercise price on the exercise date.

The put options allow the vendor to sell its equity interest in different tranches which 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 Maxion Group in any one year. The fair value of put option is assessed to be immaterial as the fair value of the shares exceeds the exercise price.

Contingent consideration

As part of the purchase agreement, a contingent consideration has been agreed. Additional cash payments shall be payable to the non-controlling shareholder of:

- the amount equivalent to the aggregate of net profit after tax and interest cost for the first year after the acquisition date;
- the amount equivalent to the aggregate of net profit after tax and interest cost for the second year after the acquisition date plus any amount in the first year; and
- the amount equivalent to the aggregate of net profit after tax and interest cost for the first year after the acquisition date plus any amount in the second year.

Goodwill arising from acquisition

Goodwill arising from acquisition amounted to $2,459,000 due to the difference between the fair values of the identifiable assets and liabilities of Maxion Group, non-controlling interest measured at the non-controlling interest's proportionate share of Maxion Group's net identifiable assets and the total consideration transferred for the acquisition of Maxion Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

Impact to acquisition on profit for loss

From the acquisition date, Maxion Group contributed revenue of $10,978,000 and profit for the year of $1,374,000 respectively to the Group for the financial year ended 31 December 2023. The acquisition had taken place on 3 January 2023 and there would be no material impact on the Group's revenue and profit for the year had it taken place on 1 January 2023.

14. Investment in subsidiaries (continued)

Acquisition of subsidiaries under common control

On 30 September 2022, the Company acquired 100% equity interests in Aspial Lifestyle Jewellery Group Pte. Ltd. and its subsidiaries ("**ALJG Group**"), BU2 Services Pte. Ltd. ("**BU2**") and Gold Purple Pte. Ltd. ("**GP**") (together, the "**Target Group**") for a total consideration of up to $98,755,000 from its immediate holding company, Aspial Corporation Limited ("**ACL**") which comprise base consideration and earn-out consideration.

The base consideration is satisfied by cash consideration of $37,000,000 and issuance of 311,656,441 ordinary shares 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 the Company to ACL amounting to $5,889,000. As at 31 December 2022, the performance target of the Target Group has been achieved.

The reason for the acquisition is to leverage on the jewellery retailing as part of the Group's strategic plans of increasing its product offerings in the market.

The above acquisition is considered to be a business combination under common control and the acquired assets and liabilities transferred have been included in the consolidated financial statements at their carrying amounts. The consolidated financial statements include the financial position and financial performance of Target Group from the date of acquisition.

From the acquisition date, the Target Group contributed revenue of $38,346,000 and profit for the year of $4,906,000 respectively to the Group for the financial year ended 31 December 2022. If the acquisition had taken place at the beginning of the year, the Group's revenue and profit for the year would have increased by approximately $90,616,000 and $8,899,000 respectively.

14. Investment in subsidiaries (continued)

Acquisition of subsidiaries under common control (continued)

The carrying value of the assets and liabilities of the Target Group as at the acquisition date were:

	Carrying value recognised on acquisition				
	ALJG Group	**BU2**	**GP**	**ACU**	**Total**
	$'000	$'000	$'000	$'000	$'000
Property, plant and equipment	5,190	–	–	45,686	50,876
Right-of-use assets	32,171	–	–	7,037	39,208
Investment in joint venture	1,527	–	–	–	1,527
Intangible assets	3,398	–	–	–	3,398
Deferred tax assets	236	–	–	–	236
Inventories	61,603	–	–	–	61,603
Trade and other receivables	3,231	–	–	41	3,272
Prepayments	522	2	–	5	529
Amount due from joint venture	1	–	–	–	1
Amount due from related parties	121	131	–	–	252
Amount due from immediate holding company	21,284	–	–	667	21,951
Cash and bank balances	1,844	22	–	280	2,146
	131,128	155	–	53,716	184,999
Trade and other payables	(15,172)	(30)	–	(643)	(15,845)
Amount due to joint venture	(667)	–	–	–	(667)
Amount due to related parties	(1,020)	–	–	–	(1,020)
Amount due to holding company	–	–	(14)	–	(14)
Interest-bearing loans	(28,653)	–	–	(41,491)	(70,144)
Lease liabilities	(32,964)	–	–	(7,462)	(40,426)
Provision for taxation	(1,904)	–	–	(70)	(1,974)
Deferred tax liabilities	–	–	–	(996)	(996)
	50,748	125	(14)	3,054	53,913
Gain of control of joint venture	(1,527)	–	–	(1,527)	(3,054)
Total net assets at carrying value	49,221	125	(14)	1,527	50,859
Cash paid, representing total consideration transferred					(30,000)
Issuance of shares					(49,865)
Contingent shares					(5,889)
Amount owing to immediate holding company					(13,000)
Merger reserve (Note 26(c))					(47,895)
<u>Effect of the acquisition of subsidiaries on cash flows</u>					
Cash paid					(30,000)
Less: Cash and cash equivalents of subsidiary acquired					2,146
Net cash outflow on acquisition					(27,854)

15. Investment in associate

The Group's investment in associate is summarised below:

	Group 2023	Group 2022
	$'000	$'000
Alchemist Studio & Associates Pte. Ltd.	20	–

Name of Company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 2023	2022
Alchemist Studio & Associates Pte. Ltd.	Singapore	Interior design consultancy and interior fit out/renovation	30	–

16. Derivative financial instruments

	Group 2023			Group 2022		
	Contract notional amount	Assets	Liabilities	Contract notional amount	Assets	Liabilities
	$'000	$'000	$'000	$'000	$'000	$'000
Forward currency contracts	138,558	1,518	(1,518)	48,219	754	(832)
Commodity swaps	30,609	–	(1,279)	1,880	–	(70)
	169,167	1,518	(2,797)	50,099	754	(902)

The Group entered into foreign currency forward contracts mainly in Australian Dollar ("**AUD**") (2022: AUD and Euro), maturing within the next 12 months (2022: 12 months) to mitigate its exposure to foreign currency risk from AUD (2022: AUD and Euro) receivables. The Group entered into commodity swaps in US Dollar ("**USD**") (2022: USD) in order to hedge the financial risks related to the highly probable forecasted sale of commodities which is accounted for as cash flow hedges.

17. Investment securities

	Group	
	2023	**2022**
	$'000	$'000
Non-current:		
At fair value through other comprehensive income		
- Equity securities (unquoted) BigFundr Private Limited	1,010	725
- Equity securities (quoted) Lippo Malls Indonesia Retail Trust	467	1,116
Total financial assets measured at fair value through other comprehensive income	1,477	1,841

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

During the financial year ended 31 December 2023, the Group acquired additional equity instruments designated at FVOCI amounting to $285,000 (2022: $225,000).

Investment pledged as securities

A floating charge has been placed on investment securities with a carrying value of $467,000 (2022: $1,116,000) as security for bank borrowings (Note 23).

18. Inventories

		Group	
	Note	**2023**	**2022**
		$'000	$'000
Consolidated statement of financial position:			
Finished goods		166,822	166,773
Raw materials		3,435	4,197
Packing materials		218	328
		170,475	171,298
Consolidated statement of comprehensive income:			
Inventories recognised as an expense:			
- Material costs		307,105	208,785
- Write-back of inventories	8	(266)	(269)

A floating charge has been placed on inventories with a carrying value of $89,950,000 (2022: $95,114,000) as security for bank borrowings (Note 23).

Write-back of inventories was made when the related inventories were sold above their carrying amounts during the financial years ended 31 December 2023 and 2022.

19. Trade and other receivables

	Note	Group 2023	Group 2022	Company 2023	Company 2022
		$'000	$'000	$'000	$'000
Trade and other receivables (current):					
Trade receivables		401,160	362,358	–	71
Other receivables		2,800	928	–	–
Loan receivables		73,885	19,368	–	–
Security deposits		1,993	1,597	–	–
		479,838	384,251	–	71
Other receivables (non-current):					
Security deposits		4,094	3,953	–	–
Total trade and other receivables (current and non-current)		483,932	388,204	–	71
Add/(less):					
Due from subsidiaries (non-trade)	20	–	–	107,396	112,867
Due from related companies (non-trade)	20	329	93	–	22
Due from immediate holding company (non-trade)	20	–	10	–	–
Cash and bank balances	21	32,641	30,813	3,592	2,577
GST receivable, net		(467)	(757)	–	(71)
Total financial assets carried at amortised cost		516,435	418,363	110,988	115,466

Trade receivables comprise pawnshop loans, interest receivables on pawnshop loans, secured lending receivables, interest and distribution receivables on secured lending receivables and trade receivables from retailing and trading of jewellery and branded merchandise.

Pawnshop loans are loans extended to customers under pawnbroking business which are interest-bearing at rates ranging between 1.0% to 2.0% per month for the first month and 1.5% to 2.0% per month for the subsequent 6 months (2022: 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 collateral pledged to the Group.

Secured lending receivables are measured at amortised cost using the effective interest rate method which are interest bearing at rates of 3% to 6% (2022: 3% to 16%) per annum and are secured by way of debenture over properties (2022: debenture over properties). These receivables have remaining maturities of 3 to 12 months (2022: 3 to 12 months).

Trade receivables from retailing and trading of jewellery and branded merchandise are non-interest-bearing and generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

19. Trade and other receivables (continued)

Loan receivables bears interest at 9.50% to 15.0% (2022: 4.08%) per annum.

A floating charge has been placed on trade and other receivables with a carrying value of $396,312,000 (2022: $351,567,000) as security for bank borrowings (Note 23).

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

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
United States Dollar	48	119	–	–
Australian Dollar	–	283	–	–
Euro	8	4,455	–	–
Hong Kong Dollar	679	89	–	–

Expected credit losses on interest receivables on pawnshop loans

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL is as follows:

		Group	
	Note	**2023**	**2022**
		$'000	$'000
Movement in allowance accounts:			
At 1 January		–	–
Charge for the year	8	(5,327)	(4,033)
Written off		5,327	4,033
At 31 December		–	–

When a customer default occurs, the Group has no reasonable expectation of recovering the interest receivable and therefore, the Group writes off the interest receivable portion of the financial assets. However, this loss is expected to be recoverable when the forfeited pledges are subsequently sold to customers under the Group's retailing and trading of jewellery and branded merchandise business segment (Note 29).

20. Due from subsidiaries (non-trade)
Due from immediate holding company (non-trade)
Due from related companies (non-trade)
Due to immediate holding company (non-trade)
Due to related companies (non-trade)

The amounts due from subsidiaries are unsecured, receivable on demand and are to be settled in cash. These amounts are interest-free except for amounts due from subsidiaries of $7,333,000 (2022: $2,338,000) which bear interest at rates ranging from 4.87% to 6.94% (2022: 1.93% to 7.35%) per annum.

The amounts due from/(to) immediate holding company and related companies are unsecured, interest-free, receivable/(repayable) on demand and are to be settled in cash.

The amounts due from/(to) related companies are unsecured, interest-free, receivable/(repayable) on demand and are to be settled in cash.

21. Cash and bank balances

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Cash at banks and on hand	32,641	30,813	3,592	2,577

A floating charge has been placed on cash and bank balances with a carrying value of $12,093,000 (2022: $9,034,000) as security for bank borrowings (Note 23).

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

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Australian Dollar	671	1,076	–	–
United States Dollar	14	18	–	–

22. Trade and other payables

	Note	Group 2023	Group 2022	Company 2023	Company 2022
		$'000	$'000	$'000	$'000
Trade and other payables (current):					
Trade payables		7,342	10,366	265	–
Other payables		5,802	3,162	104	3
Loan payables		73,460	19,764	–	–
Accrued operating expenses					
- Payroll related		7,596	5,169	–	464
- Others		6,344	6,209	1,910	1,977
Deposits received		3,148	4,175	–	–
		103,692	48,845	2,279	2,444
Other payables (non-current):					
Other payables		546	80	–	–
Total trade and other payables (current and non-current)		104,238	48,925	2,279	2,444
Add/(less):					
Due to immediate holding company (non-trade)	20	8,792	13,502	8,769	13,500
Due to related companies (non-trade)	20	2,300	3,285	–	–
Interest-bearing loans	23	480,463	448,249	–	–
Medium-Term Notes	24	59,763	59,527	59,763	59,527
Accrued operating expenses					
- Payroll related		(814)	(393)	–	(9)
- Provision for reinstatement cost		(897)	(952)	–	–
- GST payable, net		(1,818)	(1,448)	(265)	–
Total financial liabilities carried at amortised cost		652,027	570,695	70,546	75,462

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

Loan payables bear interest at rates ranging from 9.50% to 15.0% (2022: 4.28% to 6.00%) per annum.

22. Trade and other payables (continued)

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

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Hong Kong Dollar	488	1,556	–	–
United States Dollar	2,902	6,708	–	–
Singapore Dollar	12	47	–	–
Euro	823	860	–	–
Japanese Yen	154	–	–	–
Renminbi	757	–	–	–

Provision for reinstatement cost

Provision for reinstatement costs is recognised when the Group enters into a lease agreement for its premises. It includes the estimated cost of demolishing and removing the renovations made by the Group to the premises. The premises shall be reinstated to the conditions set out in the lease agreement upon the expiration of the lease agreement.

Movement of provision for reinstatement cost is as follows:

	Group	
	2023	**2022**
	$'000	$'000
At 1 January	952	714
Acquisition of subsidiaries	–	104
Provision	20	231
Utilised	(57)	(74)
Translation difference	(18)	(23)
At 31 December	897	952

23. Interest-bearing loans

	Note	Group 2023	Group 2022	Company 2023	Company 2022
		$'000	$'000	$'000	$'000
Secured borrowings					
Current					
Short-term bank borrowings		380,084	338,052	–	–
Term loans		10,386	9,998	–	–
		390,470	348,050	–	–
Non-current					
Term loans		89,993	100,199	–	–
		480,463	448,249	–	–
Add:					
Medium-Term Notes	24	59,763	59,527	59,763	59,527
Total loans and borrowings		540,226	507,776	59,763	59,527

(a) ***Details of securities in relation to interest-bearing loans are as follows:***

Short-term bank borrowings of $361,875,000 (2022: $318,914,000) are secured by way of fixed and floating charges on all assets of certain subsidiaries and corporate guarantee by the Company.

Short-term bank borrowings of $18,209,000 (2022: $19,138,000) are secured by way of legal mortgage over the freehold and leasehold properties (Note 11) and investment properties (Note 12) and corporate guarantee by the Company.

Term loans of $88,994,000 (2022: $92,892,000) bear interest at rates ranging from 1.5% to 7.9% (2022: 1.5% to 6.5%) per annum, are secured by way of legal mortgage over the freehold and leasehold properties (Note 11) and investment properties (Note 12) and corporate guarantee by the Company and/or the immediate holding company.

Term loans of $11,385,000 (2022: $17,305,000) bear interest at rates ranging from 2.00% to 2.5% (2022: 2.00% to 2.5%) per annum and are secured by way of corporate guarantee by the Company.

(b) ***Effective interest rate***

Weighted average effective annual interest rates of interest-bearing loans at the end of the financial year are as follows:

	Group 2023	Group 2022
Short-term bank borrowings	5.33%	3.11%
Term loans	3.74%	1.93%

24. Medium-Term Notes

			Aggregate principal amount outstanding			
			Group		Company	
Date issued	**Interest rate**	**Maturity date**	**2023**	**2022**	**2023**	**2022**
	%		$'000	$'000	$'000	$'000
Non-current						
24 January 2022	6.05	24 January 2025	59,763	59,527	59,763	59,527

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

On 3 January 2022, the Company issued an updated Information Memorandum relating to the MTN Programme and issued a Notice of Tender for Series 002 notes of $7,000,000 and Exchange Offer Exercise (the "**Exercise**") to Series 002 note holders of $23,250,000.

Upon completion of the Exercise on 24 January 2022, the Company issued $60,000,000 6.05% notes due 24 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 Company on maturity on 22 July 2022.

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

				Non-cash changes			
Group	**1 January**	**Net cash flows from financing activities**	**Medium-Term Notes issuance fee**	**Translation difference**	**Acquisition of subsidiaries**	**Amortisation of Medium-Term Note issuance fee**	**31 December**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2023							
Medium-Term Notes	59,527	-	-	-	-	236	59,763
Short-term bank borrowings	338,052	40,694	-	(383)	1,721	-	380,084
Term loans	110,197	(9,818)	-	-	-	-	100,379
Total	507,776	30,876	-	(383)	1,721	236	540,226
2022							
Medium-Term Notes	45,250	14,750	(836)	-	-	363	59,527
Short-term bank borrowings	243,887	54,082	-	(67)	40,150	-	338,052
Term loans	92,410	(12,207)	-	-	29,994	-	110,197
Total	381,547	56,625	(836)	(67)	70,144	363	507,776

25. Leases

Group as a lessee

The Group has lease contracts for land and retail stores used in its operations. Leases of land have lease terms of 37 years and retail stores generally have lease terms between 2 and 7 years. The Group's obligations under the leases are secured by the respective lessor's title to 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 retail stores with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemption 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 year:

Group	**Land**	**Retail stores**	**Motor vehicle**	**Total**
	$'000	$'000	$'000	$'000
At 1 January 2022	–	33,314	–	33,314
Additions	–	6,063	–	6,063
Depreciation	(52)	(13,860)	–	(13,912)
Modification	–	21,259	–	21,259
Termination	–	(3,434)	–	(3,434)
Impairment	–	(189)	–	(189)
Acquisition of subsidiaries (Note 14)	7,037	32,171	–	39,208
Translation difference	–	(211)	–	(211)
At 31 December 2022 and 1 January 2023	6,985	75,113	–	82,098
Additions	–	7,728	280	8,008
Depreciation	(237)	(22,107)	(17)	(22,361)
Modification	587	15,080	–	15,667
Termination	–	(1,455)	–	(1,455)
Acquisition of subsidiaries (Note 14)	–	458	–	458
Translation difference	–	(16)	–	(16)
At 31 December 2023	7,335	74,801	263	82,399

Impairment of right-of-use assets

During the financial year ended 31 December 2023, the Group undertook an assessment of the recoverable amounts of the right-of-use assets with indicators of impairment. As a result of the assessment, the Group recorded impairment loss of $Nil (2022: $189,000) arising from the planned closure of certain outlets under the pawnbroking segment, recognised in "Other operating expenses" in the consolidated statement of comprehensive income.

25. 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 year:

	Group	
	2023	**2022**
	$'000	$'000
As at 1 January	84,424	34,410
Cash flow:		
Payments	(24,758)	(15,236)
Non-cash changes:		
Accretion of interest	2,290	1,475
Additions	8,008	6,063
Modification	15,667	21,122
Termination	(1,478)	(3,540)
Acquisition of subsidiaries (Note 14)	464	40,426
Translation difference	(102)	(296)
As at 31 December	84,515	84,424
Current portion	21,470	21,101
Non-current portion	63,045	63,323
	84,515	84,424

The maturity analysis of lease liabilities is disclosed in Note 31(a).

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

The following are the amounts recognised in profit or loss:

		Group	
	Note	**2023**	**2022**
		$'000	$'000
Depreciation of right-of-use assets	8	22,361	13,912
Interest expense on lease liabilities	6	2,290	1,475
Impairment loss on right-of-use assets	8	–	189
Gain on termination/modification of leases	7	(23)	(243)
Lease expenses relating to short-term leases (included in other operating expenses)	8	214	1,618
Variable lease payments (included in other operating expenses)			
- Contingent rent	8	1,018	411
- COVID-19-related rent concessions	7	–	(68)
Total amount recognised in profit or loss		25,860	17,294

25. Leases (continued)

Group as a lessee (continued)

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

The Group had total cash outflows for leases of $25,990,000 (2022: $17,197,000) in 2023.

(e) ***Extension options***

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. These have been capitalised in the right-of-use assets and lease liabilities.

Group as a lessor

The Group has entered into commercial property subleases of its retail stores, leasehold properties and investment properties. These non-cancellable leases have remaining lease terms of less than three years.

Rental income recognised by the Group during the year is $2,921,000 (2022: $1,659,000).

Future minimum rentals receivable under non-cancellable operating leases contracted for as at 31 December are as follows:

	Group	
	2023	**2022**
	$'000	$'000
Not later than one year	2,341	1,089
Later than one year but not later than five years	2,162	958
	4,503	2,047

26. Share capital, treasury shares and other reserves

(a) ***Share capital***

	Group and Company			
	2023		**2022**	
	No. of shares	$'000	No. of shares	$'000
Issued and fully paid ordinary shares:				
Balance at 1 January	1,378,908,797	192,206	1,067,252,356	142,341
Issuance of ordinary shares	36,809,815	5,889	311,656,441	49,865
Issuance of ordinary shares under scrip dividend scheme	2,982,209	391	–	–
Balance at 31 December	1,418,700,821	198,486	1,378,908,797	192,206

26. Share capital, treasury shares and other reserves (continued)

(a) ***Share capital (continued)***

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.

On 30 September 2022, the Company completed the acquisition of subsidiaries which was partly settled by way of issuance of 311,656,441 new ordinary shares of the Company.

On 5 July 2023, the Company issued 36,809,815 new ordinary shares to immediate holding company at an issue price of S$0.16 for each earn-out consideration share in connection with the acquisition of ALJG Group (Note 26(c)).

On 20 November 2023, the Company issued 2,982,209 new ordinary shares at an issue price of S$0.131 to eligible shareholders who have elected to participate in the Company's scrip dividend scheme.

(b) ***Treasury shares***

	Group and Company			
	2023		2022	
	No. of shares	$'000	No. of shares	$'000
At 1 January	108,322	19	325,122	59
Share buyback through open market [1]	–	–	884,000	145
Treasury shares reissued pursuant to Maxi-Cash Performance Share Plan [2]	–	–	(1,100,800)	(185)
Balance at 31 December	108,322	19	108,322	19

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

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

26. Share capital, treasury shares and other reserves (continued)

(c) ***Other reserves***

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
Fair value adjustment reserve	(2,103)	(1,564)	–	–
Loss on reissuance of treasury shares	(28)	(28)	(28)	(28)
Foreign currency translation reserve	438	403	–	–
Capital reserve	–	5,889	–	5,889
Merger reserve	(53,309)	(53,309)	–	–
Change in ownership interest in subsidiary without a change in control	(34)	(34)	–	–
Hedging reserve	(1,279)	(70)	–	–
	(56,315)	(48,713)	(28)	5,861

Fair value adjustment reserve

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

Loss on reissuance of treasury shares

This represents the loss arising from treasury shares re-issued pursuant to Maxi-Cash Performance Share Plan.

Foreign currency translation reserve

This 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.

Merger reserve

This represents reserve on acquisition of subsidiaries under common control from Aspial Corporation Limited as follows:

- Acquisition of ALJG Group, BU2, and GP in 2022 amounting to $47,895,000 (Note 14),
- Acquisition of Aspial Property Investment Pte. Ltd. (Amalgamated with Maxi-Cash Property Pte. Ltd. pursuant to Section 215A and Section 215D of the Companies Act 1967, with Maxi-Cash Property Pte. Ltd. remaining as the surviving entity) in 2019 amounting to $3,913,000, and
- Acquisition of Maxi-Cash Retail Pte. Ltd. (previously known as Citigems Pte. Ltd.) in 2018 amounting to $1,501,000.

26. Share capital, treasury shares and other reserves (continued)

(c) ***Other reserves (continued)***

Capital reserve

Balance as at 31 December 2022 of the Group and Company includes $5,889,000 arising from 36,809,815 contingent shares issuable in relation to earn-out consideration for the acquisition of ALJG Group, BU2, and GP as disclosed in Note 14 to the financial statements (Note 26 (a)).

Hedging reserve

This represents the cumulative fair value changes on foreign currency forward contracts accounted for as cash flow hedge.

27. Related party transactions

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

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	
	Note	**2023**	**2022**
		$'000	$'000
Sales to a related company		(164)	(170)
Management services to related companies	7	(295)	(314)
Purchases from a related company		–	247
Corporate services charged by a related company		–	3,477
Rental charged by a joint venture		–	1,530
Management services charged by a related company		–	–
Interest expense on advances from immediate holding company		369	–
Rental income from related companies		(574)	(143)
Purchase of computer software from a related company		–	2,564
Acquisition of subsidiaries from immediate holding company		–	98,755

27. Related party transactions (continued)

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

	Group	
	2023	**2022**
	$'000	$'000
Short-term employee benefits	2,236	2,243
Central Provident Fund contributions	105	88
Total compensation paid to key management personnel	2,341	2,331
Comprise amounts paid to:		
Directors of the Company	1,066	1,154
Other key management personnel	1,275	1,177
	2,341	2,331

28. Contingent liabilities

Guarantees

The Company has provided corporate guarantees to banks for an aggregate amount of $425,380,000 (2022: $398,857,000) in respect of bank borrowings of certain subsidiaries (Note 23).

29. Segmental 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 respective products and services. 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 services and serves different markets.

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

(a) Pawnbroking;
(b) Secured lending;
(c) Retailing and trading of jewellery and branded merchandise; and
(d) "Others" segment includes rental of properties, provision of other support services, share of result of joint venture and associate and investment holding (including investment properties) which are mainly intersegment transactions.

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.

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

29. Segmental information (continued)

	Pawnbroking	Secured lending	Retailing and trading of jewellery and branded merchandise	Others	Elimination	Note	Total
	$'000	$'000	$'000	$'000	$'000		$'000
2023							
Revenue	63,567	549	407,465	–	–		471,581
Inter-segment revenue	61,985	180	15	–	(62,180)	A	–
Results							
Segment results	30,640	226	19,186	10,642	(7,874)		52,820
Share of result of associate	–	–	–	17	–		17
Interest income	5	–	636	4,088	(4,161)		568
Dividend income from equity securities	–	–	–	2	–		2
Finance costs	(17,249)	(509)	(5,975)	(10,318)	4,343		(29,708)
Profit before tax	13,396	(283)	13,847	4,431	(7,692)	B	23,699
Segment assets	471,681	12,874	267,634	360,378	(192,362)	C	920,205
Investment in associate	–	–	–	20	–		20
Total assets							920,225
Segment liabilities	403,189	13,062	190,255	337,043	(194,379)	D	749,170
Total liabilities							749,170
Capital expenditure	1,276	–	2,352	878	–		4,506
Depreciation and amortisation	9,728	–	17,044	3,668	–		30,440
Other significant non-cash expenses	525	–	84	513	–	E	1,122

29. Segmental information (continued)

	Pawnbroking	Secured lending	Retailing and trading of jewellery and branded merchandise	Others	Elimination	Note	Total
	$'000	$'000	$'000	$'000	$'000		$'000
2022							
Revenue	51,526	2,122	265,360	–	–		319,008
Inter-segment revenue	44,727	–	22	–	(44,749)	A	–
Results							
Segment results	17,678	1,396	18,246	17,024	(16,041)		38,303
Share of result of joint venture	–	–	–	61	–		61
Interest income	–	–	210	1,845	(1,411)		644
Dividend income from equity securities	–	–	–	198	–		198
Finance costs	(8,712)	(1,016)	(1,970)	(7,115)	1,411		(17,402)
Profit before tax	8,966	380	16,486	12,013	(16,041)	B	21,804
Segment assets	422,215	10,285	271,448	333,348	(210,814)	C	826,482
Total assets							826,482
Segment liabilities	373,828	10,251	194,603	298,212	(210,776)	D	666,118
Total liabilities							666,118
Capital expenditure	1,640	–	730	61	–		2,431
Depreciation and amortisation	11,141	–	5,612	1,512	–		18,265
Other significant non-cash expenses/(income)	362	–	129	(1,676)	–	E	(1,185)

29. Segmental information (continued)

Notes

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit to arrive at "profit before tax" presented in the consolidated statements of comprehensive income:

	Group 2023	Group 2022
	$'000	$'000
Profit from inter-segment sales	(7,692)	(16,041)

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

	Group 2023	Group 2022
	$'000	$'000
Inter-segment assets	(192,362)	(210,814)

D The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position:

	Group 2023	Group 2022
	$'000	$'000
Inter-segment liabilities	(194,379)	(210,776)

E Other non-cash expenses consist of the following items, as presented in the respective notes to the financial statements:

	Note	Group 2023	Group 2022
		$'000	$'000
Loss on disposal/write-off of property, plant and equipment	8	341	278
Fair value gain on investment properties	7	–	(800)
Write-back of inventories	8	(266)	(269)
Intangible assets written off	8	115	–
Financial losses on pledged items not fully covered by insurance	8	376	10
Impairment loss on property, plant and equipment	8	79	526
Impairment loss on right-of-use assets	8	–	189
Loss/(gain) on disposal of investment properties	8	500	(876)
Gain on termination/modification of leases	7	(23)	(243)
		1,122	(1,185)

29. Segmental information (continued)

Geographical segments

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

	Group			
	Revenue		Non-current assets	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Singapore	450,584	299,809	219,045	227,472
Others	20,997	19,199	7,039	2,145
	471,581	319,008	226,084	229,617

Non-current assets information presented above comprise property, plant and equipment, investment properties, right-of-use assets and intangible assets as presented in the consolidated statement of financial position.

30. Dividends

	Group and Company	
	2023	2022
	$'000	$'000
Dividends on ordinary shares paid during the year		
Interim exempt (one-tier) dividend in respect of profits for 2021: 0.60 cent per share based on 1,066,927,234 shares	–	6,402
Interim exempt (one-tier) dividend in respect of profits for 2022: 0.40 (2022: 0.65) cent per share based on 1,378,800,475 (2022: 1,066,927,234) shares	5,515	6,935
Interim exempt (one-tier) dividend in respect of profits for 2023: 0.40 cent per share based on 1,317,933,945 shares by cash	5,272	–
Interim exempt (one-tier) dividend in respect of profits for 2023: 13.10 cent per share based on 2,982,209 shares by scrip (Note 26)	391	–
	11,178	13,337

Dividends proposal but not recognised as a liability

On 23 February 2024, the Company proposed a one-tier final exempt dividend $5,391,000 (0.38 cent per share) for the financial year ended 31 December 2023. The final dividend is subject to shareholders' approval at the Annual General Meeting.

31. 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, credit risk and market risk. The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Assistant Finance Director. 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.

31. Financial risk management objectives and policies (continued)

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.

(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.

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

Analysis of financial instruments by remaining contractual maturities

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

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Group				
2023				
Financial assets:				
Trade and other receivables	479,458	4,094	–	483,552
Due from related companies (non-trade)	329	–	–	329
Investment securities	–	–	1,477	1,477
Derivative financial instruments	1,518	–	–	1,518
Cash and bank balances	32,641	–	–	32,641
Total undiscounted financial assets	513,946	4,094	1,477	519,517
Financial liabilities:				
Trade and other payables	100,163	546	–	100,709
Due to immediate holding company (non-trade)	8,792	–	–	8,792
Due to related companies (non-trade)	2,300	–	–	2,300
Interest-bearing loans	395,966	51,740	59,458	507,164
Derivative financial instruments	2,797	–	–	2,797
Medium-Term Notes	3,640	59,992	–	63,632
Lease liabilities	23,797	56,746	15,347	95,890
Total undiscounted financial liabilities	537,455	169,024	74,805	781,284
Total net undiscounted financial liabilities	(23,509)	(164,930)	(73,328)	(261,767)

31. Financial risk management objectives and policies (continued)

(a) ***Liquidity risk (continued)***

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Group				
2022				
Financial assets:				
Trade and other receivables	383,857	3,953	–	387,810
Due from related companies (non-trade)	93	–	–	93
Due from immediate holding company (non-trade)	10	–	–	10
Investment securities	–	–	1,841	1,841
Derivative financial instruments	754	–	–	754
Cash and bank balances	30,813	–	–	30,813
Total undiscounted financial assets	415,527	3,953	1,841	421,321
Financial liabilities:				
Trade and other payables	46,052	80	–	46,132
Due to immediate holding company (non-trade)	13,502	–	–	13,502
Due to related companies (non-trade)	3,285	–	–	3,285
Interest-bearing loans	352,582	57,017	58,831	468,430
Derivative financial instruments	902	–	–	902
Medium-Term Notes	3,630	63,385	–	67,015
Lease liabilities	22,768	57,660	13,527	93,955
Total undiscounted financial liabilities	442,721	178,142	72,358	693,221
Total net undiscounted financial liabilities	(27,194)	(174,189)	(70,517)	(271,900)

31. Financial risk management objectives and policies (continued)

(a) ***Liquidity risk (continued)***

	1 year or less	1 to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000
Company				
2023				
Financial assets:				
Due from subsidiaries (non-trade)	107,841	–	–	107,841
Cash and bank balances	3,592	–	–	3,592
Total undiscounted financial assets	111,433	–	–	111,433
Financial liabilities:				
Trade and other payables	2,014	–	–	2,014
Medium-Term Notes	3,640	59,992	–	63,632
Due to immediate holding company (non-trade)	8,769	–	–	8,769
Total undiscounted financial liabilities	14,423	59,992	–	74,415
Total net undiscounted financial assets/ (liabilities)	97,010	(59,992)	–	37,018
Financial guarantees*	348,330	30,140	46,910	425,380
2022				
Financial assets:				
Due from subsidiaries (non-trade)	113,003	–	–	113,003
Due from related company (non-trade)	22	–	–	22
Cash and bank balances	2,577	–	–	2,577
Total undiscounted financial assets	115,602	–	–	115,602
Financial liabilities:				
Trade and other payables	2,435	–	–	2,435
Medium-Term Notes	3,630	63,385	–	67,015
Due to immediate holding company (non-trade)	13,500	–	–	13,500
Total undiscounted financial liabilities	19,565	63,385	–	82,950
Total net undiscounted financial assets/ (liabilities)	96,037	(63,385)	–	32,652
Financial guarantees*	313,360	35,131	50,366	398,857

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

31. 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 its term loans and short term borrowings. Other than the Medium-Term Notes and certain bank borrowings which are at fixed rates, the Group's loans 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, term notes of $59,763,000 (2022: $59,527,000) and interest-bearing loans of $11,386,000 (2022: $17,305,000) are at fixed rates of interest.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 50 (2022: 50) basis points lower/higher with all other variables held constant, the Group's profit net of tax would have been $1,947,000 (2022: $1,789,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate term loans and short term borrowings.

(c) ***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 exposure to credit risk arises primarily from trade receivables and quoted debt instruments. The Group minimises credit risk by requiring collateral and/or dealing with credit worthy counterparties.

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 has determined the default event on a financial asset to be when the counterparty fails to make contractual payments.

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 forward-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 borrowers in the Group and changes in the operating results of the borrower.

31. Financial risk management objectives and policies (continued)

(c) ***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. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due, where legally enforceable or practicable. Where recoveries are made, these are recognised in profit or loss.

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

Secured lending receivables (Note 19)

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.

Pawnshop loans (Note 19)

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.

Interest receivables on pawnshop loans (Note 19)

When customer default occurs, the Group has no reasonable expectations of recovering the interest receivable and therefore, the Group writes off the interest receivable portion of the financial assets. However, this loss is expected to be recoverable when the forfeited pledges are subsequently sold to customers under the Group's retail and trading of jewellery and branded merchandise business segment (Note 29).

Expected credit losses of pawnshop loans and interest receivables on pawnshop loans

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 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 given default as the amount of loss exposure at default after considering the expected realisable value of the customers' pledges.

31. Financial risk management objectives and policies (continued)

(c) ***Credit risk (continued)***

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

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 information.

Loan receivables (Note 19)

The Group assesses ECL individually for each loan made using the general approach of ECL. The ECL impact is not expected to be significant as there has been no indication of credit-risk impairment. There is no deferral of interest, principal repayment deferral or history of default. Loans that matured during the year have been received in full on a timely basis.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheets.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring significant counterparties of its trade receivables on an ongoing basis. At the end of the financial year, 100% (2022: 100%) of the Group's trade receivables in the secured lending business segment were due from 2 debtors (2022: 3 debtors).

(d) ***Commodity price risk***

Cash flow hedges

The Group's pawnbroking and retail businesses obtains a continuous supply of gold from the forfeiture of pawned and trade in gold items. The Group's objective is to hedge a portion of forfeited pawned and trade in gold items that will eventually be sold to wholesalers. As such, the Group enters into commodity swaps on an ongoing basis to hedge against the fluctuation in gold prices for its highly probable forecasted sale of gold to wholesalers. The Group designated only the spot-to-spot movement of the entire commodity swap as the hedged risk.

The terms of the commodity swap contracts have been negotiated to match the terms of the highly probable forecasted sale transactions and, accordingly, the cash flow hedges are assessed to be highly effective.

The carrying amount and notional amount are disclosed in Note 16. The amount reclassified from OCI to "revenue" in the consolidated statement of comprehensive income is $157,000 (2022: $Nil). The weighted average hedged rate for the year is USD 2.04/troy ounce (2022: USD 2.18/troy ounce).

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

(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 at the end of the financial year:

	Note	**Quoted prices in active markets for identical assets (Level 1)**	**Significant observable inputs other than quoted prices (Level 2)**	**Significant un-observable inputs (Level 3)**	**Total**
		$'000	$'000	$'000	$'000
Group					
2023					
Financial assets					
At fair value through other comprehensive income					
- Equity securities (unquoted)	17	–	–	1,010	1,010
- Equity securities (quoted)	17	467	–	–	467
At fair value through profit or loss					
- Forward currency contracts	16	–	1,518	–	1,518
		467	1,518	1,010	2,995
Non-financial assets					
- Investment properties	12	–	–	4,950	4,950
Financial liabilities					
At fair value through profit or loss					
- Forward currency contracts	16	–	(1,518)	–	(1,518)
- Commodity swaps	16	–	(1,279)	–	(1,279)
		–	(2,797)	–	(2,797)

32. Fair value of assets and liabilities (continued)

(b) ***Assets and liabilities measured at fair value (continued)***

	Note	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
Group					
2022					
Financial assets					
At fair value through other comprehensive income					
- Equity securities (unquoted)	17	–	–	725	725
- Equity securities (quoted)	17	1,116	–	–	1,116
At fair value through profit or loss					
- Forward currency contracts	16	–	754	–	754
		1,116	754	725	2,595
Non-financial assets					
- Investment properties	12	–	–	11,650	11,650
Financial liabilities					
At fair value through profit or loss					
- Forward currency contracts	16	–	902	–	902

There are no transfers of assets or liabilities between Levels 1, 2 and 3.

(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:

Forward currency contracts and commodity swaps

Forward currency contracts and commodity swaps 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, commodity spot and forward rates, and forward rate curves.

32. 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 2023	Valuation techniques	Unobservable inputs	Range of unobservable inputs
	$'000			
Recurring fair value measurements				
Unquoted equity securities at fair value through other comprehensive income (Note 17)	1,010	Income approach	Weighted average cost of capital	12.0%
			Terminal growth rate	1.7%
Investment property (Note 12)	4,950	Market comparable approach	Price per square feet	$1,145 to $9,290
Put options (Note 14)	-	Income approach and market approach	Weighted average cost of capital	8.54%
			Terminal growth rate	3.3%
			Price-earnings ratio	13.3 to 24.4 times

Description	Fair value at 31 December 2022	Valuation techniques	Unobservable inputs	Range of unobservable inputs
	$'000			
Recurring fair value measurements				
Unquoted equity securities at fair value through other comprehensive income (Note 17)	725	Market approach	Note 1	Not applicable
Investment properties (Note 12)	11,650	Market comparable approach	Price per square feet	$1,781 to $4,009

32. 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)

Note 1 – Unquoted equity securities at fair value through other comprehensive income

As at 31 December 2023, a significant increase/(decrease) in weighted average cost of capital would not result in a significantly (lower)/higher fair value measurement and significant increase/(decrease) in terminal growth rate would not result in a significantly higher/(lower) fair value measurement. As at 31 December 2022, the valuation of investment in unquoted equity securities is based on the latest round of funding exercised by the investee.

Note 2 – 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 3 – Put options

A significant increase/(decrease) in weighted average cost of capital and price-earnings ratio would not result in a significantly (lower)/higher fair value measurement and significant increase/(decrease) in terminal growth rate would not result in a significantly higher/(lower) fair value measurement.

(ii) Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)		
	Equity securities (unquoted)	**Investment properties**	**Total**
	$'000	$'000	$'000
Group			
2023			
Opening balance	725	11,650	12,375
Purchases	285	–	285
Disposal	–	(6,700)	(6,700)
Closing balance	1,010	4,950	5,960
2022			
Opening balance	500	16,850	17,350
Purchases	225	–	225
Disposal	–	(6,000)	(6,000)
Fair value gain on investment properties	–	800	800
Closing balance	725	11,650	12,375

32. Fair value of assets and liabilities (continued)

(d) ***Level 3 fair value measurements (continued)***

(ii) *Movements in Level 3 assets and liabilities measured at fair value (continued)*

Fair value gain on investment properties is recognised in "Other income" in the consolidated statement of comprehensive income.

(iii) *Valuation policies and procedures*

The Group's Assistant Finance Director 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.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, management has 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.

32. Fair value of assets and liabilities (continued)

(e) ***Fair values of financial instruments by classes that are not carried at fair values and whose carrying amounts are not reasonable approximation of fair values***

The fair values of financial assets and liabilities by classes that are not carried at fair values and whose carrying amounts are not reasonable approximation of fair values are as follows:

	Fair value measurements at the end of the financial year using		
	Quoted prices in active markets for identical assets (Level 1)	**Significant unobservable inputs (Level 3)**	**Carrying amount**
	$'000	$'000	$'000
Group			
2023			
Financial assets:			
Non-current:			
Deposits	–	3,644	4,094
Financial liabilities:			
Non-current:			
Term notes	59,390	–	59,763
2022			
Financial assets:			
Non-current:			
Deposits	–	3,688	3,953
Financial liabilities:			
Non-current:			
Term notes	59,527	–	59,527

32. Fair value of assets and liabilities (continued)

(e) ***Fair values of financial instruments by classes that are not carried at fair values and whose carrying amounts are not reasonable approximation of fair values (continued)***

	Fair value measurements at the end of the financial year using		
	Quoted prices in active markets for identical assets (Level 1)	Significant unobservable inputs (Level 3)	Carrying amount
	$'000	$'000	$'000
Company			
2023			
Financial liabilities:			
Non-current:			
Medium-Term Notes	59,390	–	59,763
2022			
Financial liabilities:			
Non-current:			
Medium-Term Notes	59,527	–	59,527

Determination of fair value

Trade and other receivables

The fair values of deposits as disclosed in the table above are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the end of the financial year.

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 financial year.

33. Commitments

The Group has entered into lease agreements for retail outlets with lease terms that have not yet commenced as at 31 December 2023. The future lease payments for these non-cancellable lease contracts are $800,000 (2022: $560,000) within one year, $5,420,000 (2022: $4,047,000) within five years and $2,210,000 (2022: $1,535,000) thereafter.

The Group has capital expenditure contracted for as at 31 December 2023 but not recognised in the financial statements of $14,000 (2022: $24,000) and $173,000 (2022: $144,000) for software development and new outlet renovation.

34. 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 processes during the years ended 31 December 2023 and 2022. The Group does not have any externally imposed capital requirements.

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, trade and other payables, due to related companies (non-trade), due to immediate holding company (non-trade), derivative financial instruments, interest-bearing loans, Medium-Term Notes and lease liabilities, less cash and bank balances. Capital refers to equity attributable to owners of the Company.

		Group	
	Note	**2023**	**2022**
		$'000	$'000
Trade and other payables	22	104,238	48,925
Due to related companies (non-trade)	20	2,300	3,285
Due to immediate holding company (non-trade)	20	8,792	13,502
Derivative financial instruments	16	2,797	902
Interest-bearing loans	23	480,463	448,249
Medium-Term Notes	24	59,763	59,527
Lease liabilities	25(b)	84,515	84,424
Less: Cash and bank balances	21	(32,641)	(30,813)
Net debt		710,227	628,001
Equity attributable to owners of the Company		165,884	159,193
Capital and net debt		876,111	787,194
Gearing ratio		81.1%	79.8%

35. Events occurring after the reporting period

Acquisition of BigFundr Private Limited

On 22 February 2024, Maxi-Cash Capital Management Pte. Ltd. ("**MCCM**"), a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with Trinity House Capital Private Limited to acquire 2,695,000 ordinary shares, representing 55% equity interest in the share capital of BigFundr Private Limited ("**BigFundr**") for an aggregate consideration of $2,720,000.

BigFundr is a company incorporated in Singapore and holds a Capital Markets Services licence issued by the Monetary Authority of Singapore ("**MAS**"). Prior to the acquisition, MCCM owned 735,000 ordinary shares, representing 15% of the issued and paid-up capital of BigFundr. Following the completion of the acquisition, BigFundr became a subsidiary of MCCM.

The fair values of the identifiable assets and liabilities at acquisition date are 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.

36. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2023 were authorised for issue in accordance with a directors' resolution dated 1 April 2024.