



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

TLV Holdings Limited (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 17 September 2015. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**” or “**PPCF**”).

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist.

The Sponsor has not verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

Background

The Company was incorporated in Singapore on 22 June 2015 under the Companies Act as a private limited company under the name “TLV Holdings Pte. Ltd.”. The Company changed its name to “TLV Holdings Limited” on 21 August 2015 following the conversion into a public limited company.

The Company and its subsidiaries (the “**Group**”) were formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) prior to the listing on the Catalist of the SGX-ST (“**Listing**”) on 17 September 2015. Please refer to the Company’s Offer Documents dated 8 September 2015 for further details on the Restructuring Exercise.

For the purpose of this announcement, the financial results of the Group for the three months financial period ended 30 September 2015 (2Q2016) and the six months financial period ended 30 September 2015 (1H2016), and the comparative financial results of the Group for the three months financial period ended 30 September 2014 (2Q2015) and the six months financial period ended 30 September 2014 (1H2015), have been prepared on the assumption that the Group’s structure following the completion of the Restructuring Exercise had been in place since 1 April 2014.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENT

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group (Unaudited)			Group (Unaudited)		
	2Q2016 \$'000	2Q2015 \$'000	Change %	1H2016 \$'000	1H2015 \$'000	Change %
Revenue	34,199	32,154	6.4	61,742	69,048	(10.6)
Cost of sales	(24,426)	(23,156)	5.5	(42,498)	(50,348)	(15.6)
Gross profit	9,773	8,998	8.6	19,244	18,700	2.9
Other operating income	8	23	(65.2)	8	24	(66.7)
Distribution costs	(5,292)	(5,425)	(2.5)	(11,162)	(11,360)	(1.7)
Administrative expenses	(423)	(1,186)	(64.3)	(1,519)	(2,492)	(39.0)
Other operating expenses	(1,185)	(678)	74.8	(1,291)	(511)	152.6
Share of profit of associated company	121	247	(51.0)	165	543	(69.6)
Finance costs	(175)	(98)	78.6	(296)	(157)	88.5
Profit from operations	2,827	1,881	50.3	5,149	4,747	8.5
Listing expenses	(1,608)	–	NM	(1,608)	–	NM
Profit before tax	1,219	1,881	(35.2)	3,541	4,747	(25.4)
Income tax expense	(257)	(315)	(18.4)	(516)	(766)	(32.6)
Net profit	962	1,566	(38.6)	3,025	3,981	(24.0)
Other comprehensive income						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Foreign currency translation	389	109	256.9	246	90	173.3
Total comprehensive income	1,351	1,675	(19.3)	3,271	4,071	(19.7)

Note:

NM – Not Meaningful.

**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

1(a)(ii) Items, which if significant must be included in the income statement.

Notes to Income Statement

Profit before income tax is arrived at after (charging)/crediting the following:

	Group (Unaudited)			Group (Unaudited)		
	2Q2016 \$'000	2Q2015 \$'000	Change %	1H2016 \$'000	1H2015 \$'000	Change %
Interest income from pawnbroking business	145	16	806.3	251	27	829.6
Net foreign currency exchange loss	(1,150)	(647)	77.7	(1,219)	(431)	182.8
Gain/(loss) on disposal of fixed assets	–	4	NM	(2)	(10)	(80.0)
Interest expense on bank borrowings	(175)	(98)	78.6	(296)	(157)	88.5
Depreciation of fixed assets	(189)	(241)	(21.6)	(365)	(495)	(26.3)
Amortisation of trademarks	(35)	(35)	–	(70)	(70)	–

Adjustments for under or overprovision of tax in respect of prior years:

Over provision in prior years	128	–	–	157	–	NM
-------------------------------	-----	---	---	-----	---	----

Note:

NM – Not Meaningful.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	30.09.2015 (Unaudited) \$'000	31.03.2015 (Audited) \$'000	30.09.2015 (Unaudited) \$'000	31.03.2015 ⁽¹⁾ \$'000
ASSETS				
Non-current assets				
Investment in subsidiaries	–	–	82,076	–
Investment in associated company	5,547	5,193	–	–
Fixed assets	5,290	5,456	–	–
Trademarks	1,197	1,267	–	–
Non-current other receivables	1,594	1,131	–	–
	13,628	13,047	82,076	–
Current assets				
Inventories	113,270	99,848	–	–
Trade and other receivables	39,424	48,422	13,722	–
Prepayments	163	317	–	–
Cash and bank balances	20,505	8,135	#	–
	173,362	156,722	13,722	–
Total assets	186,990	169,769	95,798	–
LIABILITIES				
Current liabilities				
Bank borrowings	17,655	14,635	–	–
Trade and other payables	62,820	62,208	687	–
Dividends payable	–	5,004	–	–
Income tax payable	2,143	2,544	–	–
	82,618	84,391	687	–
NET CURRENT ASSETS	90,744	72,331	13,035	–
Non-current liabilities				
Bank borrowings	3,882	2,802	–	–
Deferred tax liabilities	231	231	–	–
Provision	269	269	–	–
	4,382	3,302	–	–
Total liabilities	87,000	87,693	687	–
NET ASSETS	99,990	82,076	95,111	–
Equity attributable to owners of the Company				
Share capital	96,719	17,574	96,719	–
Merger reserve	(64,502)	–	–	–
Translation reserve	802	556	–	–
Retained earnings/(accumulated losses)	66,971	63,946	(1,608)	–
Total equity	99,990	82,076	95,111	–

Note:

(1) There are no comparative figures as at 31 March 2015 as the Company was incorporated on 22 June 2015.

Denotes amount less than \$1,000.

**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

	30.09.2015 (Unaudited)		31.03.2015 (Audited)	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	5,531	12,124	4,897	9,738
Amount repayable after one year	1,502	2,380	1,622	1,180

Details of any collateral

Secured bank borrowings include the following:

- (i) Bank overdraft of \$1,864,000 (31.03.15: \$1,550,000) which is secured by:
 - (a) Joint and several personal guarantee from certain directors; and
 - (b) Charge on all sums in current account and a first fixed and floating charge on all present and future assets of a subsidiary.
- (ii) Borrowings of \$5,169,000 (31.03.15: \$4,969,000) which are secured by first mortgage over leasehold properties owned by the Group.

Certain Directors of the Company have provided personal guarantees for all the bank borrowings above.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group (Unaudited)		Group (Unaudited)	
	2Q2016 \$'000	2Q2015 \$'000	1H2016 \$'000	1H2015 \$'000
Cash flows from operating activities				
Profit before tax	1,219	1,881	3,541	4,747
Adjustments for:				
Depreciation of fixed assets	189	241	365	495
Amortisation of trademarks	35	35	70	70
Interest expense	175	98	296	157
Loss/(gain) on disposal of fixed assets, net	–	(4)	2	10
Share of profit of associated company	(121)	(247)	(165)	(543)
Unrealised exchange loss/(gain)	1,020	555	259	300
IPO expenses	1,608	–	1,608	–
Operating cash flows before working capital changes	4,125	2,559	5,976	5,236
(Increase)/decrease in trade and other receivables and prepayments	(822)	(23)	8,355	3,425
Decrease/(Increase) in inventories	2,983	(5,658)	(13,422)	(7,654)
(Decrease)/increase in trade and other payables	(3,837)	3,069	6	(1,658)
Increase/(decrease) in bills payable	1,512	519	2,270	1,038
Cash flows from operations	3,961	466	3,185	387
Interest paid	(175)	(98)	(296)	(157)
Income tax refunded	–	–	29	–
Income tax paid	(950)	(826)	(950)	(826)
Net cash generated from/(used in) operating activities	2,836	(458)	1,968	(596)
Cash flows from investing activities				
Investment in associated company	–	–	–	(2,450)
Proceeds from disposal of fixed assets	–	40	–	40
Net cash inflow from Business Acquisition	–	–	–	1,876
Purchase of fixed assets	(154)	(112)	(201)	(188)
Net cash flows used in investing activities	(154)	(72)	(201)	(722)
Cash flows from financing activities				
Proceeds from bank borrowings	300	500	3,700	3,200
Repayment of bank borrowings	(754)	(722)	(2,049)	(1,296)
Proceeds from issue of shares, net	13,722	–	13,722	–
Dividends paid	(2,004)	–	(5,004)	–
Net cash flows generated from/(used in) financing activities	11,264	(222)	10,369	1,904
Net increase/(decrease) in cash and cash equivalents	13,946	(752)	12,136	586
Net effect of exchange rates changes on the balance cash held in foreign currencies	111	11	55	4
Cash and cash equivalents at beginning of the period	4,360	4,699	6,226	3,368
Cash and cash equivalents at end of the period	18,417	3,958	18,417	3,958



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Changes in Equity

GROUP (Unaudited)	Share Capital \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 April 2015	17,574	–	556	63,946	82,076
Profit for the period	–	–	–	2,063	2,063
Other comprehensive income					
Foreign currency translation	–	–	(143)	–	(143)
Total comprehensive income	–	–	(143)	2,063	1,920
At 30 June 2015	17,574	–	413	66,009	83,996
Profit for the period	–	–	–	962	962
Other comprehensive income					
Foreign currency translation	–	–	389	–	389
Total comprehensive income	–	–	389	962	1,351
Share swap pursuant to the Restructuring Exercise	(17,574)	(64,502)	–	–	(82,076)
Issue of shares pursuant to the Restructuring Exercise	82,076	–	–	–	82,076
Issue of New Shares, GFC Shares and PPCF Shares, net of expenses	14,643	–	–	–	14,643
At 30 September 2015	96,719	(64,502)	802	66,971	99,990
GROUP (Unaudited)					
At 1 April 2014	9,003	–	–	58,287	67,290
Profit for the period	–	–	–	2,415	2,415
Other comprehensive income					
Foreign currency translation	–	–	(19)	–	(19)
Total comprehensive income	–	–	(19)	2,415	2,396
Dividends on ordinary shares	–	–	–	(5,004)	(5,004)
At 30 June 2014	9,003	–	(19)	55,698	64,682
Profit for the period	–	–	–	1,566	1,566
Other comprehensive income					
Foreign currency translation	–	–	109	–	109
Total comprehensive income	–	–	109	1,566	1,675
Shares issued for Business Acquisition	8,571	–	–	–	8,571
At 30 September 2014	17,574	–	90	57,264	74,928



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

Statement of Changes in Equity

COMPANY (Unaudited)	Share Capital \$'000	Retained earnings \$'000	Total equity \$'000
On incorporation dated 22 June 2015	#	–	#
Profit for the period	–	–	–
Total comprehensive income	–	–	–
At 30 June 2015	#	–	#
Loss for the period	–	(1,608)	(1,608)
Total comprehensive income	–	(1,608)	(1,608)
Issue of shares pursuant to the Restructuring Exercise	82,076	–	82,076
Issue of New Shares, GFC Shares and PPCF Shares, net of expenses	14,643	–	14,643
At 30 September 2015	96,719	(1,608)	95,111

There are no comparative figures at 30 September 2014 as the Company was incorporated on 22 June 2015.

Denotes amount less than \$1,000.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Share Capital

	No. of shares	Share capital \$
Issue of shares at date of incorporation on 22 June 2015	2	0.33
Issue of shares pursuant to the Restructuring Exercise	492,455,998	82,075,999.67
Issue of new placement shares, new shares to Group Financial Controller and PPCF Shares, net of expenses pursuant to the Listing	73,050,000	14,643,000.00
As at 30 September 2015	565,506,000	96,719,000.00

The Company did not have treasury shares or any outstanding options or convertibles as at 30 September 2015 and 30 September 2014.

**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

1d(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at end of the immediately preceding year

	30.09.2015	31.03.2015
Total number of issued shares excluding treasury shares	565,506,000	N.A.

N.A. – Not applicable as the Company was incorporated on 22 June 2015.

1d(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current financial period reported on

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period on.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualification or emphasis of a matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Save as disclosed in in paragraph 5 below, the accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements ended 31 March 2015 prepared for the purpose of the IPO as disclosed in the Company's offer document dated 8 September 2015.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as reasons for, and the effect of, the change

In the current financial period, the Group and the Company have adopted all the new revised Financial Reporting Standards (FRSs) and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2015. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior period.

**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

(Unaudited)	2Q 2016	2Q 2015	1H 2016	1H 2015
Profit attributable to equity holders of the Company (\$'000)	962	1,566	3,025	3,981
Weighted average number of ordinary shares used in the computation of basic and diluted EPS ('000) ¹	503,572	492,456	498,045	492,456
Basic and diluted earnings per share (Singapore cents)	0.19	0.32	0.61	0.81

Note:

(1) The weighted average number of shares of the Company is calculated based on the pre-IPO share capital of 492,456,000 shares up to 16 September 2015 and the post-IPO share capital of 565,506,000 shares on 17 September 2015.

The basic and diluted earnings per share are the same as there were no potential dilutive ordinary shares existing during all the respective periods.

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	30.09.2015 (Unaudited)	31.03.2015 (Audited)	30.09.2015 (Unaudited)	31.03.2015⁽¹⁾
Net asset value per ordinary share (Singapore cents)	17.68	16.67	16.82	N.A.

Note:

For comparative and illustrative purposes, the net asset value per ordinary share as at 30 September 2015 is computed based on the post-IPO share capital of the Company of 565,506,000 shares and the net asset value per ordinary share as at 31 March 2015 is computed based on the pre-IPO share capital of the Company of 492,456,000 shares assuming the Restructuring Exercise had been completed and in place since 1 April 2014.

(1) There are no comparative figures as at 31 March 2015 as the Company was incorporated on 22 June 2015.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affect the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group's Income Statement

Revenue

Our revenue derived from the Retail and Pawnbroking Business and Exhibition Business was as follows:

	Group (Unaudited)		
	2Q2016 \$'000	2Q2015 \$'000	Change %
Retail and pawnbroking	16,944	17,976	(5.7)
Exhibition business	17,255	14,178	21.7
Total	34,199	32,154	6.4

Higher revenue was mainly due to increased revenue from exhibition business arising from higher sales recorded from better turnout at exhibition events. However, this was offset by lower retail sales as a result of weaker retail sentiment in Singapore.

Cost of sales

In tandem with the higher revenue above, cost of sales increased correspondingly by approximately \$1.2 million or 5.5% to \$24.4 million in 2Q2016.

Gross profit and gross profit margin

Gross profit increased by approximately \$0.8 million or 8.6% to \$9.8 million in 2Q2016 in line with the higher sales whilst achieving higher gross profit margin of 28.6% in 2Q2016 as compared to 28.0% in 2Q2015.

The higher gross profit margin was mainly due to better cost control over our sub-contractors.

Other operating income

Other operating income decreased by approximately \$15,000, or 65.2% to \$8,000 in 2Q2016 mainly due to lower government grants received and sundry income.

Distribution costs

Distribution costs decreased by approximately \$0.1 million, or 2.5% to \$5.3 million in 2Q2016 mainly due to lower rental expenses, staff costs and depreciation expenses, offset by higher advertising and promotion expenses and exhibition expenses.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

Administrative expenses

Administrative expenses decreased by approximately \$0.8 million or 64.3% to \$0.4 million in 2Q2016 mainly due to reversal of accrual of listing expenses to realised listing expenses as well as lower staff costs and bank charges.

Other operating expenses

Other operating expenses increased by \$0.5 million or 74.8% to \$1.2 million in 2Q2016 mainly due to higher foreign exchange loss arising from the strengthening of the US\$ against S\$.

Share of profit of associated company

Share of profit of associated company decreased by \$0.1 million or 51.0% to \$0.1 million in 2Q2016 mainly due to lower share of profits from our associated company, Globe Diamonds Pte Ltd.

Finance costs

Finance costs increased by \$0.1 million or 78.6% to \$0.2 million in 2Q2016 mainly due to higher bank borrowings for working capital purposes during the current period.

Listing expenses

Listing expenses recognised in 2Q2016 of \$1.6 million, were derived after deducting amount capitalised and offset against share capital, being a one-off and non-recurring charged to the profit and loss statement in connection with the Listing.

Income tax expense

The effective tax rates were 21.1% and 16.7% in 2Q2016 and 2Q2015, respectively. The effective tax rate in 2Q2016 was higher than the Singapore statutory corporate tax rate of 17%, mainly due to listing expenses which were not deductible for tax purposes as compared to the availability of tax relief and enhanced allowances in 2Q2015.

Net profit

As a result of the foregoing, our net profit decreased by approximately \$0.6 million or 38.6% to \$1.0 million in 2Q2016.

Excluding the listing expenses of \$1.6 million, our net profit would have been \$2.6 million and \$4.6 million for 2Q2016 and 1H2016 respectively.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

Review of Group's Financial Position

Non-current assets

Non-current assets increased by approximately \$0.6 million or 4.6% from approximately \$13.0 million as at 31 March 2015 to approximately \$13.6 million as at 30 September 2015. This was mainly due to reclassification of rental deposit from current to non-current arising from extension of lease and payment of rental deposit for new leases of retail outlets as well as increase in investment in associated company arising from share of profit and translation gain. This was partially offset by decrease in fixed assets and trademarks due to depreciation of fixed assets and amortisation of trademarks.

Current assets

Current assets increased by approximately \$16.7 million or 10.7% from approximately \$156.7 million as at 31 March 2015 to approximately \$173.4 million as at 30 September 2015. This was mainly due to an increase in inventories and cash and cash equivalents of approximately \$13.4 million and \$12.4 million respectively. This was partially offset by a decrease in trade and other receivables of approximately \$9.0 million.

The increase in inventories was due to the opening of a retail outlet (Lucky Plaza) in early September 2015, preparation for a new retail outlet (Jurong Point) which was opened in October 2015 as well as inventory stock up for a key exhibition in October 2015. For details of the increase in cash and cash equivalents, please refer to 'Review of Group's Cash Position and Cash Flows' below.

The decrease in trade and other receivables was mainly due to collections received.

Current liabilities

Current liabilities decreased by approximately \$1.8 million or 2.1% from approximately \$84.4 million as at 31 March 2015 to approximately \$82.6 million as at 30 September 2015. This was mainly due to decrease dividends payable of \$5.0 million paid out prior Listing and income tax payable of \$0.4 million, partially offset by increase in trade and other payable of approximately \$0.6 million and bank borrowings of approximately \$3.0 million.

The decrease in dividends payable and income tax payable was due to payments made during the financial period.

The increase in trade payables was a result of increase in inventories in anticipation of demand from new retail outlets and a key exhibition as mentioned above. The increase in bank borrowings was mainly due to increase in bills payable and the drawdown of a new term loan for working capital purposes, partially offset by loan repayment.

Non-current liabilities

Non-current liabilities increased by approximately \$1.1 million or 33.3% from approximately \$3.3 million as at 31 March 2015 to approximately \$4.4 million as at 30 September 2015. This was mainly due to increase in bank borrowings arising from the drawdown of a new term loan for working capital purposes, partially offset by loan repayment.

Working capital

The Group had a positive working capital of approximately \$90.7 million as at 30 September 2015 as compared to approximately \$72.3 million as at 31 March 2015.

**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015**Review of Group's Cash Position and Cash Flows**

Cash and cash equivalents increased by approximately \$12.2 million or 196.8% from approximately \$6.2 million as at 31 March 2015 to approximately \$18.4 million as at 30 September 2015. Our cash and cash equivalents in the statement of cash flows comprised:

	Group	
	30.09.2015	31.03.2015
	(Unaudited)	(Audited)
	\$'000	\$'000
Cash and bank balances (in the statement of financial position)	20,505	8,135
Less: Bank overdraft (including in bank borrowings)	(2,088)	(1,909)
Cash and cash equivalents per statement of cash flows	18,417	6,226

Net cash from operating activities

In 2Q2016, we recorded a net cash inflow from operating activities of \$2.8 million, which was a net result of operating profit before working capital changes of \$4.1 million, adjusted for working capital outflows of \$0.2 million, interest paid of \$0.2 million and income tax paid of \$1.0 million. The net working capital increases was mainly due to the following:

- (a) increase in trade and other receivables and prepayments of \$0.8 million; and
- (b) decrease in trade and other payables of \$3.8 million.

The above working capital increases were partially offset by:

- (a) decrease in inventories of \$3.0 million; and
- (b) increase in bills payable of \$1.5 million.

Net cash from investing activities

Net cash outflow from investing activities amounted to \$0.2 million, which was attributable to payment for purchase of fixed assets.

Net cash from financing activities

Net cash flow provided by financing activities amounted to \$11.3 million, which arose from the net IPO proceeds of \$13.7 million, offset by net repayment of bank borrowings of \$0.5 million and dividends paid of \$2.0 million.

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

Not applicable. No forecast or prospect statements has been previously disclosed to shareholders.

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

The successful listing of the Company on the Catalist of the SGX-ST on 17 September 2015 marked a major milestone in the Group's business. It has enhanced our corporate image locally and internationally.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

In furtherance with our focused effort to increase our network of outlets, we have opened a new outlet at Lucky Plaza in September and another in Jurong Point in October this year. We will continue to participate actively in the Exhibition Business and offer a wider range of jewellery to our global customer base through our exhibitions.

In line with our business strategies and future plans as disclosed in the Offer Document, we will continue to look for suitable opportunities to add to our network of retail outlets in Singapore and consider expanding our business through acquisitions, joint ventures or strategic alliances with parties who create synergistic values with our existing businesses.

11 Dividend

(a) Any dividend declared for the current financial period reported on?

None.

(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared/recommendeded, a statement to that effect

No dividend has been declared/recommendeded in the current period reported on.

13 If the group has obtained a general mandate from shareholders for interested persons transactions ("IPT") the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Save as disclosed in pages 115 to 121 of the Offer Document dated 8 September 2015, there were no other IPT of S\$100,000 and above for the current period reported on.

The Group does not have a general mandate from shareholders for IPTs.

**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015**14 Utilisation of Proceeds from the Initial Public Offering (“IPO”)**

The following table sets out the breakdown of the use of proceeds from the IPO as at the date announcement:

	Amount allocated \$'000	Amount re-allocated (Note 1) \$'000	Amount utilised \$'000	Balance \$'000
Acquisition of retail outlets	3,000	3,000	–	3,000
Expansion through acquisitions, joint ventures and/or strategic alliances	3,000	3,000	–	3,000
Working capital	7,213	6,893	(1,400)	5,493
Listing expenses	2,358	2,678	(2,678)	0
Gross proceeds	15,571	15,571	(4,078)	11,493

Note 1: The Company has re-allocated approximately \$320,000 from working capital to the payment of listing expenses.

15 Negative Confirmation of Interim Financial Results Pursuant to Rule 705(5) of the Catalist Listing Manual

The Board of Directors of the Company confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the second quarter and six months ended 30 September 2015 to be false or misleading in any material aspect.

By Order of the Board
TLV Holdings Limited

Teo Boon Leng
Managing Director

12 November 2015