



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

Unaudited Third Quarter Financial Statement For the Financial period Ended 31 December 2016

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

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with 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 Ms Gillian Goh, Director, Head of 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 together with its subsidiaries and associated company (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 (“Offer Document”) dated 8 September 2015 for further details on the Restructuring Exercise.

The Company was admitted to the Catalist on 17 September 2015. For the purpose of this announcement, the results of the Group for the three months financial period ended 31 December 2016 (“3Q 2017”) and the nine months financial period ended 31 December 2016 (“9M 2017”), and the comparative results of the Group for the three months financial period ended 31 December 2015 (“3Q 2016”) and the nine months financial period ended 31 December 2015 (“9M 2016”).


TLV HOLDINGS LIMITED

Company Registration No. 201526542C

**Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016**
PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 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)		
	3Q2017 S\$'000	3Q2016 S\$'000	Change %	9M2017 S\$'000	9M2016 S\$'000	Change %
Revenue	29,015	31,601	(8)	81,924	93,343	(12)
Cost of sales	(21,430)	(22,093)	(3)	(59,151)	(64,591)	(8)
Gross profit	7,585	9,508	(20)	22,773	28,752	(21)
Other operating income	42	124	(66)	419	132	217
Distribution costs	(5,405)	(6,034)	(10)	(16,892)	(17,196)	(2)
Administrative expenses	(1,731)	(1,528)	13	(4,134)	(3,047)	36
Other operating expenses(Note 1)	107	(959)	nm	(327)	(3,858)	(92)
Share of profit/(loss) of associated company	85	(65)	nm	185	100	85
Finance costs	(56)	(170)	(67)	(211)	(466)	(55)
Profit before tax	627	876	(28)	1,813	4,417	(59)
Income tax expense	(157)	(471)	(67)	(256)	(987)	(74)
Net profit	470	405	(16)	1,557	3,430	(55)
Other comprehensive income						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Foreign currency translation	307	(54)	nm	383	192	99
Total comprehensive income	777	351	121	1,940	3,622	(46)

Note 1 – Other operating expenses in 3Q 2016 and 9M 2016 included listing expenses of \$142,000 and \$1.75 million respectively, relating to the Company's admission to the Catalist on 17 September 2015.

- 1(a)(ii) **Notes to Consolidated Statement of profit or loss and other comprehensive Income**

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

	Group (Unaudited)			Group (Unaudited)		
	3Q2017 S\$'000	3Q2016 S\$'000	Change %	9M2017 S\$'000	9M2016 S\$'000	Change %
Interest income from pawnbroking business	245	191	28	694	442	57
Net foreign currency exchange gain/(loss)	127	82	55	(327)	(1,137)	(71)
(Loss)/gain on disposal of fixed assets	–	(41)	(100)	1	(43)	nm
Interest expense on bank borrowings	(56)	(170)	(67)	(211)	(466)	(55)
Depreciation of fixed assets	(225)	(207)	9	(683)	(572)	19
Amortisation of trademarks	(36)	(36)	–	(106)	(106)	–
Recovery/ (provision) of allowance for doubtful receivables, net	33	(656)	nm	111	(656)	nm
Overprovision of tax in prior years	10	–	nm	17	157	(89)

nm – not meaningful


TLV HOLDINGS LIMITED

Company Registration No. 201526542C

Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016
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	
	31.12.2016	31.03.2016	31.12.2016	31.03.2016
	Unaudited	Audited	Unaudited	Audited
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
<i>Inventories</i>	90,207	96,703	–	–
<i>Trade and other receivables</i>	39,439	46,252	13,393	16,129
<i>Prepayments</i>	108	149	6	7
<i>Cash and bank balances</i>	7,663	12,709	946	1,600
Total current assets	137,417	155,813	14,345	17,736
Non-current assets				
<i>Investment in subsidiaries</i>	–	–	82,076	82,076
<i>Investment in associated company</i>	5,677	5,250	–	–
<i>Fixed assets</i>	5,801	5,770	–	–
<i>Trademarks</i>	1,020	1,126	–	–
<i>Non-current other receivables</i>	1,530	1,530	–	–
Total non-current assets	14,028	13,676	82,076	82,076
Total assets	151,445	169,489	96,421	99,812
LIABILITIES AND EQUITY				
Current liabilities				
<i>Bank borrowings</i>	10,513	8,509	–	–
<i>Hire purchase</i>	106	88	–	–
<i>Trade and other payables</i>	36,612	53,656	111	206
<i>Income tax payable</i>	733	1,347	–	–
Total current liabilities	47,964	63,600	111	206
NET CURRENT ASSETS	89,453	92,213	14,234	17,530
Non-current liabilities				
<i>Bank borrowings</i>	1,529	3,047	–	–
<i>Hire purchase</i>	333	329	–	–
<i>Deferred tax liabilities</i>	159	159	–	–
<i>Provision</i>	324	290	–	–
Total non-current liabilities	2,345	3,825	–	–
Total Liabilities	50,309	67,425	111	206
NET ASSETS	101,136	102,064	96,310	99,606
Equity attributable to owners of the Company				
<i>Share capital</i>	96,719	96,719	96,719	96,719
<i>Merger reserve</i>	(64,502)	(64,502)	–	–
<i>Treasury shares</i>	(698)	–	(698)	–
<i>Translation reserve</i>	813	430	–	–
<i>Statutory reserve</i>	55	55	–	–
<i>Retained earnings</i>	68,749	69,362	289	2,887
TOTAL EQUITY	101,136	102,064	96,310	99,606


TLV HOLDINGS LIMITED

Company Registration No. 201526542C

**Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016**
1(b)(ii) Aggregate amount of group's borrowings and debt securities

	31.12.2016 (Unaudited)		31.03.2016 (Audited)	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	2,287	8,332	269	8,328
Amount repayable after one year	612	1,250	737	2,639
	<u>2,899</u>	<u>9,582</u>	<u>1,006</u>	<u>10,967</u>

Details of any collaterals:

1. Bank borrowing of \$0.46 million (31 March 2016: \$0.59 million) are secured by first mortgage over a leasehold property owned by a subsidiary of the Group.
2. Short term bank loan of \$2.0 million (31 March 2016: \$0 million) is secured by a subsidiary's cash account and a fixed and floating charge on all present and future assets of the subsidiary.
3. The balance of the Group's secured borrowings relates to hire purchase facilities secured against the respective motor vehicles.

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)	
	3Q2017 S\$'000	3Q2016 S\$'000	9M2017 S\$'000	9M2016 S\$'000
Cash flows from operating activities				
Profit before tax	627	876	1,813	4,417
Adjustments for:				
Depreciation of fixed assets	225	207	683	572
Amortisation of trademarks	36	36	106	106
Interest expense	56	170	211	466
Share of (profit)/loss of associated company	(85)	65	(185)	(100)
Unrealised exchange gain	(313)	(681)	(741)	(422)
Fixed assets written off	2	–	2	–
Loss/(gain) on disposal of fixed assets	–	41	(1)	43
IPO expenses	–	142	–	1,750
Operating cash flows before movements in working capital	<u>548</u>	<u>856</u>	<u>1,888</u>	<u>6,832</u>
(Increase)/decrease in trade and other receivables and prepayments	(2,529)	4,817	8,750	13,172
Decrease/(increase) in inventories	6,155	(1,223)	6,550	(14,645)
(Decrease)/increase in trade and other payables	(4,060)	(5,544)	(18,158)	(5,538)
(Decrease)/Increase in bills payable	(1,307)	(315)	(410)	1,955
Cash flows (used in)/generated from operations	<u>(1,193)</u>	<u>(1,409)</u>	<u>(1,380)</u>	<u>1,776</u>
Interest paid	(56)	(170)	(198)	(466)
Income tax paid, net	(383)	(1,087)	(870)	(2,008)
Net cash generated used in operating activities	<u>(1,632)</u>	<u>(2,666)</u>	<u>(2,448)</u>	<u>(698)</u>
Investing activities				
Proceeds from disposal of fixed assets	–	37	26	37
Purchase of fixed assets	(46)	(317)	(616)	(518)
Net cash used in investing activities	<u>(46)</u>	<u>(280)</u>	<u>(590)</u>	<u>(481)</u>
Financing activities				
Proceeds from bank borrowings	2,500	1,300	4,800	5,000
Repayment of bank borrowings	(667)	(2,254)	(3,904)	(4,303)
Repayment of hire purchase	(26)	–	(69)	–

TLV HOLDINGS LIMITED

Company Registration No. 201526542C

**Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016**

Dividends paid	(2,170)	–	(2,170)	(5,004)
Payment of IPO expenses	–	(787)	–	(2,636)
Share buyback exercise	–	–	(698)	–
Proceeds from issue of shares, net	–	–	–	15,571
Net cash flows (used in)/generated from financing activities	(363)	(1,741)	(2,041)	8,628
Net (decrease)/increase in cash and cash equivalents	(2,041)	(4,687)	(5,079)	7,449
Net effect of exchange rates changes on the balance cash held in foreign currencies	20	(105)	33	(50)
Cash and cash equivalents at beginning of the financial period	9,684	18,417	12,709	6,226
Cash and cash equivalents at end of the financial period	7,663	13,625	7,663	13,625

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

	Share Capital	Merger reserve	Treasury shares	Foreign currency translation reserve	Retained earnings	Statutory reserve	Total Equity
Group (Unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 April 2016	96,719	(64,502)	–	430	69,362	55	102,064
As at 30 June 2016	96,719	(64,502)	(49)	427	69,637	55	102,287
As at 30 September 2016	96,719	(64,502)	(698)	506	68,279	55	100,359
Profit for the period	–	–	–	–	470	–	470
Other comprehensive income							
Foreign currency translation	–	–	–	307	–	–	307
	–	–	–	307	470	–	777
As at 31 December 2016	96,719	(64,502)	(698)	813	68,749	55	101,136



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

Unaudited Third Quarter Financial Statement

For the Financial period Ended 31 December 2016

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 (cont'd)

	Share Capital	Merger reserve	Foreign currency translation reserve	Retained earnings	Total Equity
Group (Unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 April 2015	17,574	–	556	63,946	82,076
As at 30 June 2015	17,574	–	413	66,009	83,996
As at 30 September 2015	96,719	(64,502)	802	66,971	99,990
Profit for the period	–	–	–	405	405
Other comprehensive income					
Foreign currency translation	–	–	(54)	–	(54)
Total comprehensive income	–	–	(54)	405	351
As at 31 December 2015	96,719	(64,502)	748	67,376	100,341



TLV HOLDINGS LIMITED
Company Registration No. 201526542C

Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016

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 (cont'd)

	Share Capital	Retained earnings	Treasury Shares	Total Equity
Company (Unaudited)	S\$'000	S\$'000	S\$'000	S\$'000
As at 1 April 2016	96,719	2,887	–	99,606
As at 30 June 2016	96,719	2,777	(49)	99,447
As at 30 September 2016	96,719	556	(698)	96,577
Profit for the period	–	(267)	–	(267)
Total comprehensive income	–	(267)	–	(267)
As at 31 December 2016	96,719	289	(698)	96,310

COMPANY (Unaudited)	Share Capital S\$'000	Retained earnings S\$'000	Total equity S\$'000
On date of incorporation as at 22 June 2015	#	–	#
As at 30 June 2015	#	–	#
As at 30 September 2015	96,719	(1,608)	95,111
Loss for the period	–	(348)	(348)
Total comprehensive income	–	(348)	(348)
As at 31 December 2015	96,719	(1,956)	94,763

Denotes amount less than S\$1,000.

Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016

- 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 the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	No. of issued shares	Share capital S\$'000
As at 30 September 2016	559,406,000	96,021
As at 31 December 2016	559,406,000	96,021

Note:

The Company did not have any outstanding options or convertibles as at 31 December 2016 and 31 December 2015.

	31 December 2016	31 December 2015
Number of issued shares held as treasury shares	6,100,000	–
Total number of issued shares excluding treasury shares	559,406,000	565,506,000

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

	31.12.2016	31.03.2016
Total number of issued shares excluding treasury shares	559,406,000	565,506,000

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

Not applicable. There were no sales, transfers, disposals, cancellations and/or use of treasury shares during the financial period reported 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 qualifications 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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the financial year as those of the audited combined financial statements for the financial year ended 31 March 2016.

**Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016**

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 the reasons for, and the effect of, the change

The Group adopted a number of new Financial Reporting Standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 April 2016. The adoption of these new standards, amendments to standards and interpretations did not result in any significant impact to the Group's and the Company's financial statements for the current financial period reported on.

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

(Unaudited)	3Q 2017	3Q 2016	9M 2017	9M 2016
Profit attributable to equity holders of the Company (S\$'000)	470	405	1,557	3,430
Weighted average number of ordinary shares used in the computation of basic and diluted EPS ('000) ¹	559,406	565,506	562,146	520,450
Basic and diluted earnings per share (Singapore cents) ²	0.08	0.07	0.28	0.66

Note:

- The weighted average number of shares of the Company is calculated based on the adjusted share capital after taking into account of the share buybacks in the respective financial periods.
- The basic and diluted earnings per share are the same as there were no potential dilutive ordinary shares existing during the financial period.

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 period reported on; and (b) Immediately preceding financial year.

	GROUP		COMPANY	
	31.12.2016 Unaudited	31.03.2016 Audited	31.12.2016 Unaudited	31.03.2016 Audited
Net asset value per ordinary share (Singapore cents)	18.08	18.05	17.22	17.61
Number of issued shares (excluding treasury shares) ('000)	559,406	565,506	559,406	565,506

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-

- 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
- any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review of the Income Statement of the Group
Revenue

Our revenue derived from both the retail and pawnbroking business and exhibitions business was as follows:

**TLV HOLDINGS LIMITED**

Company Registration No. 201526542C

Unaudited Third Quarter Financial Statement

For the Financial period Ended 31 December 2016

	GROUP		
	3Q 2017 (Unaudited) S\$'000	3Q 2016 (Unaudited) S\$'000	Change %
Retail and pawnbroking	17,660	18,884	(7)
Exhibition business	11,355	12,717	(11)
Total	29,015	31,601	(8)

Revenue for the exhibition business decreased by 11% from \$12.7 million to \$11.4 million due to lower sales recorded from exhibition shows in 3Q 2017, as a result of challenging business conditions within the jewellery industry.

Revenue for retail and pawnbroking business decreased by 7% from \$18.9 million in 3Q 2016 to \$17.7 million in 3Q 2017 due to a weaker retail environment.

Based on the above, total revenue decreased by 8% from \$31.6 million in 3Q 2016 to \$29.0 million in 3Q 2017.

Cost of sales

Cost of sales decreased by \$0.7 million or 3% to \$21.4 million in 3Q 2017 mainly due to lower revenue in 3Q 2017.

Gross profit and gross profit margin

Gross profit decreased by approximately \$1.9 million or 20% to \$7.6 million in 3Q 2017 due to lower revenue in 3Q 2017. Gross profit margin decreased from 30.1% in 3Q 2016 to 26.1% in 3Q 2017 due to higher sales of lower margin products sold as compared to 3Q 2016.

Administrative expenses

Administrative expenses increased by approximately \$0.2 million to \$1.7 million in 3Q 2017 mainly due to an increase in legal and professional fees incurred following the Company's listing on the Catalist.

Other operating expenses

Other operating expenses decreased by \$1.0 million to a positive \$0.1 million in 3Q 2017 from a negative \$0.9 million in 3Q 2016, mainly due to recovery of provision for doubtful receivables and the absence of IPO expenses during the financial period.

Share of profit/(loss) of associated company

Share of profit of associated company increased by approximately \$0.2 million in 3Q 2017 due to a reversal of loss-making position for our associated company, Globe Diamonds Singapore Pte. Ltd. compared to 3Q 2016.

Finance costs

Finance costs decreased by \$0.1 million or 67% to \$56,000 in 3Q 2017 due to lower interest rates charged by the banks.

Other operating income

Other operating income decreased by approximately \$82,000 in 3Q 2017 mainly due to a difference in treatment of PIC claim. For 3Q 2017, the Group opted for a 400% tax deduction on PIC-eligible expenses, instead of a PIC cash payout, resulting in an absence of a \$60,000 PIC cash claim which was present in 3Q 2016.

Depreciation and amortization expenses

Depreciation of fixed assets increased by \$18,000 from \$207,000 to \$225,000 mainly due to the purchase of additional fixed assets in 9M 2017.

Net profit



Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016

As a result of the foregoing, the Group's net profit increased by approximately \$0.1 million to \$0.5 million in 3Q 2017.

Review of the Financial Position of the Group

Non-current assets

Non-current assets increased by approximately \$0.4 million or 3% from \$13.7 million as at 31 March 2016 to \$14.0 million as at 31 December 2016 mainly due to an increase in investment in associated company, which in turn relates to a translation gain recorded under investment in associated company during the financial period.

Current assets

Current assets decreased by approximately \$18.4 million or 12% from approximately \$155.8 million as at 31 March 2016 to \$137.4 million as at 31 December 2016. These were mainly due to a decrease in trade and other receivables, inventories and cash and bank balances.

The decrease in inventories was due to better inventory control and management during the financial period.

The decrease in trade and other receivables were mainly due to lower sales and higher collection of receivables outstanding during the financial period.

The decrease in cash and bank balances was mainly due to lower sales, payment of dividends, higher repayment to suppliers for the settlement of overdue trade payables during the financial period.

Current liabilities

Current liabilities decreased by approximately \$15.6 million or 25% from approximately \$63.6 million as at 31 March 2016 to \$48.0 million as at 31 December 2016. These were mainly due to a decrease in trade and other payables resulting from higher repayments made to suppliers for the settlement of overdue trade payables during the financial period.

Income tax payable decreased by \$0.6 million or 46% in line with lower profit before tax in 9M 2017.

Current bank borrowings increased by \$2.0 million or 24% due to a drawdown of short-term bank borrowings for working capital purposes in 9M 2017 .

Non-current liabilities

Non-current liabilities decreased by approximately \$1.5 million or 39% from \$3.8 million as at 31 March 2016 to \$2.3 million as at 31 December 2016 mainly due to repayment of bank borrowings during the financial period.

Working capital

The Group had a positive working capital of approximately \$89.5 million as at 31 December 2016 as compared to approximately \$92.2 million as at 31 March 2016.

Review of the Cash Flow Statement of the Group

Cash and cash equivalents decreased by approximately \$5.0 million or 40% from \$12.7 million as at 31 March 2016 to \$7.7 million as at 31 December 2016.

Net cash from operating activities

In 3Q 2017, we recorded a net cash outflow from operating activities of \$1.6 million which was a net result of operating cash inflow before working capital changes of \$548,000, adjusted for working capital outflow of \$1.7 million, interest paid of \$0.1 million and net income tax paid of \$0.4 million.

The net working capital outflow of \$1.7 million was mainly due to the following:

- (a) Decrease in trade and other payables of \$4.1 million;
- (b) Decrease in bills payable of \$1.3 million;
- (c) Increase in trade and other receivables and prepayment of \$2.5 million; and



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

**Unaudited Third Quarter Financial Statement
For the Financial period Ended 31 December 2016**

(d) Decrease in inventories of \$6.2 million.

Net cash from investing activities

Net cash used in investing activities amounted to \$46,000, which was mainly attributable to payment for purchase of fixed assets.

Net cash from financing activities

Net cash used in financing activities amounted to \$0.4 million was mainly due to a payment of dividends, offset by a net increase in proceeds of bank borrowings in 3Q 2017.

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.

Faced with a weak economic environment in our key markets and a lackluster luxury retail market, our business is expected to remain challenging in 2017. To mitigate such impacts, we continue to focus on improving our operating efficiency and adopting prudent cost control measures. However, we remain optimistic over the long-term in view of increasing spending power of jewellery consumers in our key markets.

We will continue to manage the size of the local retail networks according to our business needs and launch quality and exquisite jewellery products leveraging on our reputation in the global exhibition market. We also expect to enhance our competitiveness by optimising our product mix so as to better address the ever-changing spending pattern and preference of our jewellery consumers.

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/recommended, a statement to that effect

No dividend has been declared/ recommended for the current financial period reported on.

13. If the group has obtained a general mandate from shareholders for interested person 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.

There were no other IPT of \$100,000 and above for the current financial period reported on.

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

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.



TLV HOLDINGS LIMITED

Company Registration No. 201526542C

Unaudited Third Quarter Financial Statement

For the Financial period Ended 31 December 2016

**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 third quarter ended 31 December 2016 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
TLV Holdings Limited

Teo Boon Leng
Managing Director
13 February 2017