ANNUAL REPORT

2022/23

FJ BENJAMIN

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This Annual Report has been prepared by F J Benjamin Holdings Ltd (the "Company") and its contents have been reviewed by the Company's sponsor (the "Sponsor"), ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This Annual Report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Annual Report including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

CORPORATE PROFILE

With a rich heritage dating back to 1959, F J Benjamin Holdings Ltd is an industry leader in brand building and management, and development of retail and distribution networks for international luxury and lifestyle brands across Southeast Asia. Headquartered in Singapore and listed on the Mainboard of Singapore Exchange since 1996, the Company transferred its listing to the Catalist Board of Singapore Exchange on 2 March 2021. F J Benjamin has offices in four cities, manages over 20 iconic brands and operates 148 stores.

The Group employs 1,662 employees in Singapore, Malaysia and Indonesia (under its associate company) and runs three core businesses:

LUXURY AND LIFESTYLE FASHION RETAILING AND DISTRIBUTION

F J Benjamin exclusively retails and distributes brands such as ABC Design, Be Safe, Cole Haan, EZPZ, Fauré Le Page, Guess, La Senza, Lancel, LilleBaby, Marc Jacobs, Moby, Moji, Morphee, Petunia Pickle Bottom, Pretty Ballerinas, Rebecca Minkoff, Sheridan and Superdry across various territories.

F J Benjamin operates Avenue on 3, a multi-label luxury shoe and lifestyle concept store in Singapore.

TIMEPIECE DISTRIBUTION

F J Benjamin exclusively distributes timepiece brands – Casio (in Indonesia only), Gc, Guess and Victorinox Swiss Army across Southeast Asia.

BEAUTY, HEALTH AND WELLNESS RETAILING AND DISTRIBUTION

F J Benjamin exclusively retails and distributes brands such as Dr. Barbara Sturm and MZ Skin, as well as air purifier Airfree in Singapore and Malaysia.

CORPORATE DIRECTORY

REGISTERED OFFICE

1 Jalan Kilang Timor, #07-01/02
Pacific Tech Centre
Singapore 159303
Tel: (65) 6737 0155
Fax: (65) 6235 9605
Email: info@fjbenjamin.com
Website: www.fjbenjamin.com

EMERITUS CHAIRMAN AND FOUNDER

Mr Frank Benjamin

DIRECTORS

Mr Eli Manasseh (Nash) Benjamin
Executive Chairman

Mr Douglas Jackie Benjamin
Executive Director and
Chief Executive Officer

Mr Ng Hin Lee
Lead Independent Director

Mr Liew Choon Wei
Independent Director

Mr Yee Kee Shian, Leon
Independent Director

COMPANY SECRETARY

Ms Karen Chong Mee Keng

SHARE REGISTRAR

Boardroom Corporate & Advisory
Services Pte Ltd
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

AUDITORS

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner: Mr Ang Chuen Beng
(from financial year ended
30 June 2022)

SOLICITORS

Drew & Napier LLC
10 Collyer Quay
#10-01 Ocean Financial Centre
Singapore 049315

PRINCIPAL BANKERS

DBS Bank Ltd
Malayan Banking Berhad
United Overseas Bank Limited

SPONSOR

ZICO Capital Pte. Ltd.
77 Robinson Road
#06-03 Robinson 77
Singapore 068896

CHAIRMAN'S REVIEW

"FJB WILL CONTINUE TO LOOK FOR NEW OPPORTUNITIES WITHOUT LOSING SIGHT OF OUR CORE COMPETENCY, WHICH IS BRAND MANAGEMENT OF LIFESTYLE AND LUXURY PRODUCTS."

Dear Shareholders,

I am pleased to report that we have managed to maintain our profitability for the second year since the COVID-19 pandemic changed so much about our world and our way of life. It is thus particularly pleasing to pen my maiden Chairman's message to you on the back of improved performance overall.

The business recovery started strongly in the second half of last year when countries in the region began to dismantle border restrictions that were put in place to curb the spread of the coronavirus. The upswing in business was strong and palpable during that period corresponding to the first half of our financial year ended 30 June 2023. But as economies start to sputter amid rising interest rates and inflation, the slowdown in consumer spending in recent months became evident.

As central banks continue their fight against inflation by keeping rates up, many economists have already downgraded growth prospects for Southeast Asian economies for 2024, reflecting weaker global demand for manufactured goods.

While we brace ourselves for weaker consumer demand, we are quietly confident that we will be able to navigate through this period and strengthen our position as one of the region's preeminent lifestyle and luxury retailers.

We will continue to diversify our earnings base to include related businesses, as we did in recent years when we added beauty and wellness to complement our wide range of fashion products. Brands such as Dr. Barbara Sturm and MZ Skin are leaders in their home markets and have the potential to grow strongly in Southeast Asia.

IMAGINING THE FUTURE OF RETAIL

FJB is cognisant of the many changes affecting the retail industry and is taking steps to deal with the challenges and opportunities.

With the rise of e-commerce, brick-and-mortar retailers need to provide unique and immersive experiences along with top quality in-store service to differentiate themselves from online competitors.

We believe in the potential of experiential retail and have recently opened Avenue on 3, a new lifestyle concept store at the Paragon Shopping Centre. The 8,000-square-foot store does just that by showcasing a wide range of footwear from established and up-and-coming brands that customers can try on for comfort and style while sipping artisanal coffee or champagne. Avenue on 3's large, flexible space also allows us to host special exhibitions and events.

SINGAPORE AS A LIFESTYLE AND RETAIL HUB

In October last year, Singapore unveiled its Retail Industry Transformation Map 2025 to strengthen the island's position as a global lifestyle and retail hub, anchored with new experiential concepts and innovative products.

The move to attract more global brands and build a core of local Singapore brands will add vibrancy to the local retail scene, benefitting FJB.

BUSINESS OUTLOOK

The euphoria that followed the end of COVID-19 is over and we need to position ourselves for a period of elevated inflation. While these problems are partly cyclical, there are also structural issues and geo-political tensions at play such as the increasingly frosty relations between the US and China.

Nonetheless, there are bright spots for FJB such as the increased interest in health and wellness as well as the revival of tourism in our core markets of Singapore, Malaysia and Indonesia.

Notwithstanding the effects of rising inflation, real disposable income in Southeast Asia will likely rise over the medium term due to the region's favourable demographics. Indeed, concerns about China have led to a surge in foreign direct investments in Southeast Asia as multinationals diversify their supply chains.

FJB will continue to look for new opportunities without losing sight of our core competency, which is brand management of lifestyle and luxury products.

APPRECIATION

Finally, I would like to thank my fellow directors for their wise counsel, and our staff, customers, shareholders, business partners and associates for keeping faith with us over the years.

In particular, I would like to highlight the contributions of our founder Frank Benjamin, who retired as Non-Executive Chairman on 31 December 2022. Frank is now Emeritus Chairman and Advisor to the Board of Directors.

Frank set up FJB in 1959 and was Executive Chairman and Chief Executive Officer till 2006. He relinquished the Chief Executive Officer position but remained as Executive Chairman till 2016. Under his leadership, FJB pioneered the standalone single-store concept for high fashion brands in Singapore – being the first to set up a fashion boutique, for Lanvin in 1975. He also led the Group's expansion in the region, enlivening the regional retail scene.

Frank received the Singapore Tourism Board's Tourism Entrepreneur of the Year in 1996 in recognition of his contributions to the retail and tourism sectors.

I wish Frank a happy retirement.

ELI MANASSEH (NASH) BENJAMIN
Executive Chairman
F J Benjamin Holdings Ltd

CHIEF EXECUTIVE OFFICER'S REPORT

"WE WILL CONTINUE TO LOOK FOR NEW AND EXCITING BRANDS MODELS TO CATER TO THE REGION'S CHANGING TASTES WHILE STEPPING UP CUSTOMER ENGAGEMENT FOR OUR EXISTING PORTFOLIO, BOTH IN-STORE AND ONLINE."

Dear Shareholders,

Financial year 2022/23 (FY23) began on a positive note as Group turnover surged 26% to $45.7 million in the six months to 31 December 2022 as consumers returned to the malls with the lifting of COVID-19 restrictions. But sentiment worsened subsequently, putting pressures on our revenue and earnings during the second half of FY23.

Amid slowing economic growth and elevated inflation which is eroding disposable income, the near-term outlook is a concern. We will exercise vigilance in managing our costs even as we position ourselves to take advantage of the rising affluence of Southeast Asia's burgeoning middle class.

As we chart our growth strategy in the new financial year, we will endeavour to stay nimble and opportunistic while being deliberate about longer-term investments that help us build a well-balanced and diversified earnings base.

Even as we grow, we continue to grapple with some of the same challenges that have long afflicted the retail industry: pressures on rents, manpower shortages, and a so-called plateau in retail dynamism, among them.

We have this year launched what we believe to be our response to the experiential retail trend, widely touted as the future of retail. Experiential retail is about providing customers with a unique, memorable experience that goes beyond the usual transactional relationship.

We opened Avenue on 3 at the Paragon Shopping Centre in Singapore in April 2023 and the response from consumers, press and influencers, has been very positive. This move towards establishing an experience where customers can dine, shop, buy confectionery and attend to their beauty needs in one place, is unique and we will continue to develop the space and experiences.

Establishing this concept has also afforded the opportunity for us to ease ourselves into the food and beverage business with a 40-seater cafe and full menu on offer. We will assess future opportunities in this area based on our experience as we go.

Notwithstanding the opening of Avenue on 3, we remain very focused on our franchise and distribution business across the region.

While we continue to build our business with brands like GUESS, Superdry and La Senza, we have introduced new brands like Cole Haan and added MZ Skin to our beauty selection to further round off the offering to our consumers.

Even as retail space becomes tighter as more brands enter the markets and high end designer labels take up more and more space, we continue to engage with our landlords to secure prime locations from which to run our business, while making adjustments to locations based on changes to customer preference and traffic in malls. In FY23, FJB opened 18 new stores and closed 14 stores, bringing our total network to 148 stores in Singapore, Malaysia and Indonesia.

FINANCIAL HIGHLIGHTS

For the whole of FY23, FJB achieved a 19% increase in net profit attributable to equity holders of the parent to $3.5 million – our best result in nearly a decade. Group revenue increased 7% to $86.5 million in FY23 from $80.9 million in FY22.

Sales in Singapore and Malaysia, excluding exports to Indonesia associate, rose 6% and 11% respectively, while sales at our Indonesia associate gained 15%. Our performance was, however, affected by the strong Singapore dollar, which resulted in a translation loss of $3.0 million for Malaysia.

FJB's bottom line in FY23 received a small boost from a write-back totalling $625,000 for expected credit losses in Indonesia. In FY22, the write-backs amounted to a higher $1.5 million.

Gross profit margin rose by nearly three percentage points to 52% in FY23 from 49% in the previous year.

Our performance for FY23 was the result of a strong first half. During the second half of FY23, sales declined 9% to $40.8 million from $44.7 million in the period from 1 January to 30 June 2022 due to weaker consumer sentiment.

During FY23, Group operating expenses rose 10% to $42.9 million. Our rents have increased since we are no longer receiving rental rebates from landlords, while salaries have risen due to the restoration of pay cuts implemented during the pandemic, higher commissions in line with increased sales, and the tight labour market.

Gross borrowings fell to $13.5 million as of 30 June 2023, from $16.5 million at the end of FY22. Net borrowings, however, totalled $7.3 million at the end of FY23 compared to $4.0 million at the end of the previous year. Our gearing stood at a low 18% as of 30 June 2023 although this is higher than the 10% a year ago.

FJB generated net positive cash flows of $8.8 million from operating activities in FY23.

BUSINESS OUTLOOK

With most economists including those from the Asian Development Bank, trimming their growth forecasts for Southeast Asian economies in 2024, due to the lagged effects from interest rate hikes, management is approaching the new financial year ending 30 June 2024 cautiously.

We will continue to look for new and exciting brands to cater to the region's changing tastes while stepping up customer engagement for our existing portfolio, both in-store and online.

APPRECIATION

Finally, I would like to thank the Board of Directors for entrusting me with the CEO role for F J Benjamin. I look forward to their continued support and wise counsel, and will do my best to grow the company for the benefit of all our customers, shareholders, staff and business partners.

DOUGLAS JACKIE BENJAMIN
Chief Executive Officer
F J Benjamin Holdings Ltd

GEOGRAPHICAL PRESENCE

RETAIL FOOTPRINT

	FY2023	FY2022
Singapore	11	13
Malaysia	51	45
Indonesia	86	86
Total	**148**	**144**

CORPORATE STRUCTURE

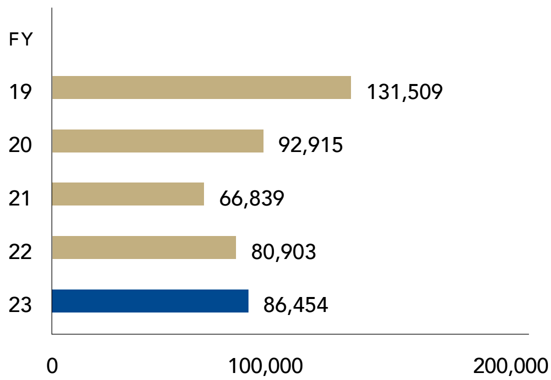
F J BENJAMIN HOLDINGS LTD

- **SOUTHEAST ASIA**
  - Singapore
    - F.J.B. Investment 100%
      - F J Benjamin (Singapore) 100%
      - F J Benjamin Lifestyle 100%
      - Nootrees 100%
      - The Luxe Concierge 51%
    - F J Benjamin Concepts 100%
      - RegalRare GEM Museum 20%
    - F J Benjamin Ideas 100%
    - Fashion Dynamics International 100%
      - Fashion Dynamics Singapore 100%
  - Malaysia
    - F J Benjamin (M) 100%
      - F J Benjamin Lifestyle 100%
  - Indonesia
    - PT Meteor Prima Sejati 100%
      - PT Gilang Agung Persada and Its Subsidiaries 50%
- **NORTH ASIA**
  - Hong Kong
    - F J Benjamin (H.K.) 100%
    - Ferro Designs 100%
    - Fashion Dynamics HK 100%
- **USA**
  - F J Benjamin Fashions (U.S.) 100%

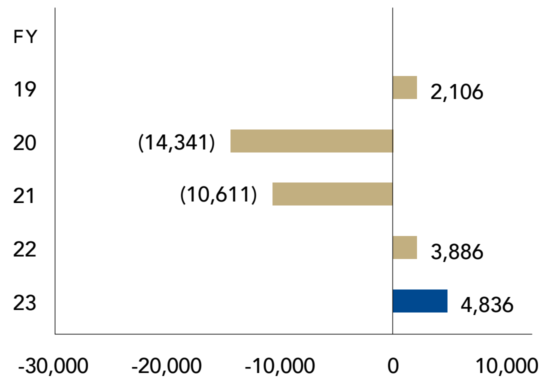
Active · Investment holding / Representative office · Dormant / Inactive

GROUP FIVE-YEAR FINANCIAL SUMMARY

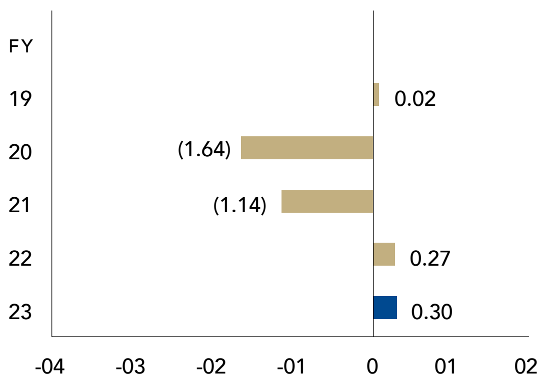
TURNOVER ($'000)



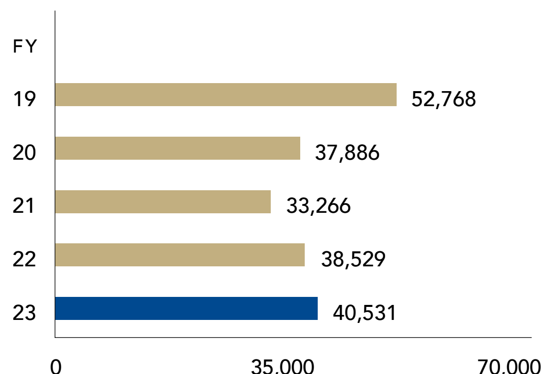
PROFIT / (LOSS) BEFORE TAX ($'000)



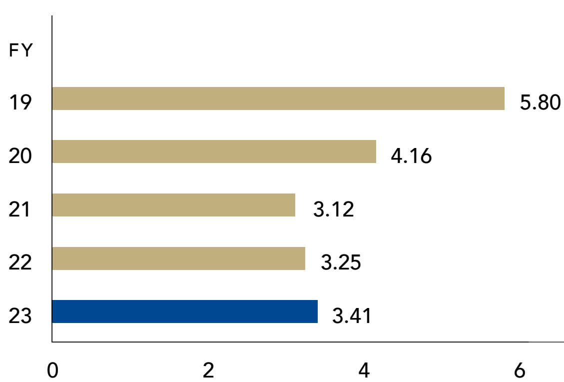
BASIC EARNINGS / (LOSS) PER SHARE (CENTS)



EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ($'000)



NTA PER SHARE (CENTS)



	2019 $'000	2020 $'000	2021 $'000	2022 $'000	2023 $'000
INCOME STATEMENT					
Turnover	131,509	92,915	66,839	80,903	86,454
Operating Profit / (Loss) before Borrowing Costs	4,717	(7,280)	(6,677)	3,118	4,037
Borrowing Costs	(938)	(1,728)	(1,524)	(1,099)	(1,035)
Share of Results of Associates, Net of Tax	(1,673)	(5,333)	(2,410)	1,867	1,834
Profit / (Loss) before Tax	2,106	(14,341)	(10,611)	3,886	4,836
Profit / (Loss) After Tax and Non-controlling Interests	177	(14,952)	(10,871)	2,975	3,532
Basic Earnings / (Loss) Per Share (cents)	0.02	(1.64)	(1.14)	0.27	0.30
Operating Margin (%)	3.6%	-7.8%	-10.0%	3.9%	4.7%
BALANCE SHEET					
Non-Current Assets	30,088	41,673	31,749	25,452	31,980
Net Current Assets	24,176	11,550	11,723	19,494	16,911
Equity Attributable to Equity Holders of the Parent	52,768	37,886	33,266	38,529	40,531
Net Debt	12,625	12,969	10,637	3,990	7,334
Return on Equity (%)	0.3%	-39.5%	-32.7%	7.7%	8.7%
Net Debt to Equity	0.24	0.34	0.32	0.10	0.18
Net Tangible Assets Per Share (cents)[@]	5.80	4.16	3.12	3.25	3.41

@ Net Tangible Assets Per Share is computed by dividing equity attributable to equity holders of the parent by the number of ordinary shares at 30 June.

EMERITUS CHAIRMAN AND FOUNDER

MR FRANK BENJAMIN

Mr Frank Benjamin is the founder of F J Benjamin, and since the founding of the Company in 1959, he held the position of Executive Chairman and Chief Executive Officer till 2006. He relinquished the Chief Executive Officer position but remained as Executive Chairman till 2016 and was redesignated as the Non-Executive Chairman in 2017. Mr Benjamin stepped down as Non-Executive Chairman on 31 December 2022. With effect from 1 January 2023, Mr Benjamin is appointed as Emeritus Chairman and Founder of the Company, and Advisor to the Board of Directors.

BOARD OF DIRECTORS

MR ELI MANASSEH (NASH) BENJAMIN

Date of appointment as Director:
26 July 1973

Date of last re-election:
27 October 2020

Nature of appointment:
Executive

Board committees served on:
None

Mr Eli Manasseh (Nash) Benjamin was the Chief Executive Officer of the Group since 2006, and has been with F J Benjamin since 1968. With effect from 1 January 2023, Mr Nash Benjamin is appointed as Executive Chairman. He has over 40 years of experience in the fashion retail and timepiece distribution businesses. He formulates the Group's strategy for growth and future expansion into new markets. He is also responsible for defining the overall strategy and vision of the Group, and oversees developmental activities to create long-term growth drivers and enhance shareholder value.

MR DOUGLAS JACKIE BENJAMIN

Date of appointment as Director:
3 November 2000

Date of last re-election:
27 October 2021

Nature of appointment:
Executive

Board committees served on:
None

Mr Douglas Jackie Benjamin graduated with a Bachelor of Arts in Economics from the University of Kent, United Kingdom. He joined the Group since 1989. He was the Chief Operating Officer of the Group since 2012. With effect from 1 January 2023, Mr Douglas Benjamin is promoted to Group Chief Executive Officer. He works closely with Mr Nash Benjamin to formulate long-term corporate strategies and policies for the Group, maintain a close relationship with all of the Group's principals and oversee the business development arm of the Group.

MR NG HIN LEE

Date of appointment as Director:
11 July 2014

Date of last re-election:
27 October 2022

Nature of appointment:
Independent

Board committees served on:
Audit Committee (Chairman), Nominating Committee and Remuneration Committee

Mr Ng Hin Lee is the Lead Independent Director of the Company. He has more than 30 years of experience in key financial and managerial positions and is a Fellow member of the Institute of Singapore Chartered Accountants. Prior to joining the Group, he was the Group Chief Financial Officer of Singapore Post Limited and Gul Technologies Singapore Limited where he was the co-founder and Executive Director. He is an independent Non-Executive Director of KOP Limited and GSH Corporation Limited, and also sits on the boards of several non-listed companies.

BOARD OF DIRECTORS

MR LIEW CHOON WEI

Date of appointment as Director:
29 November 2016

Date of last re-election:
27 October 2020

Nature of appointment:
Independent

Board committees served on:
Remuneration Committee (Chairman), Audit Committee and Nominating Committee

Mr Liew was with an international public accounting firm for more than 30 years before retiring in 2013 as an Audit Partner. He is a retired Fellow of the Association of Chartered Certified Accountants, UK and a Chartered Accountant of Singapore.

Mr Liew presently sits on the board of The Hour Glass Limited. During the year, he has retired from the boards of Halcyon Agri Corporation Limited, Frasers Hospitality Asset Management Pte Ltd and Frasers Hospitality Trust Management Pte Ltd.

MR YEE KEE SHIAN, LEON

Date of appointment as Director:
2 September 2019

Date of last re-election:
27 October 2021

Nature of appointment:
Independent

Board committees served on:
Nominating Committee (Chairman), Audit Committee and Remuneration Committee

Mr Yee is the Chairman of Duane Morris & Selvam LLP, a leading international law firm, and serves as its Global Head of Corporate as well as the Head of the firm's China Practice Group. He has extensive corporate law experience and regularly advises ultra-high net worth individuals, private equity funds, investment banks, listed and private companies on banking & finance, corporate finance, venture capital, capital markets, takeovers, cross-border mergers and acquisitions, corporate restructurings and joint ventures. Mr Yee currently also serves as an independent non-executive director of LHN Logistics Limited, Yangzijiang Shipbuilding (Holdings) Ltd and Yangzijiang Financial Holding Ltd, all of which are SGX-ST listed companies. He is a member of the advisory board of Genesis Alternative Venture I L.P., a venture debt fund. Mr Yee graduated with a Bachelor of Arts (Law) and a Master of Arts from the University of Cambridge. He is an Advocate & Solicitor of the Supreme Court of Singapore and a Solicitor of the Supreme Court of England and Wales.

SENIOR MANAGEMENT

SINGAPORE

DOUGLAS JACKIE BENJAMIN

Chief Executive Officer
F J Benjamin Singapore Pte Ltd

Please refer to information on the Board of Directors on page 13.

KAREN CHONG

Group Chief Financial Officer and Company Secretary
F J Benjamin Holdings Ltd

Ms Karen Chong has been with the Group since 1997 and oversees the financial and accounting functions of the Group including statutory and regulatory compliance. She is a Fellow of CPA Australia, Association of Chartered Certified Accountants and a Fellow member of the Institute of Singapore Chartered Accountants. Prior to joining the Group, she was with a public accounting firm for several years and had accumulated more than 30 years of financial and operational experience in the local and overseas retail industry.

MALAYSIA

DOUGLAS JACKIE BENJAMIN

Chief Executive Officer
F J Benjamin (M) Sdn. Bhd. and subsidiary

Please refer to information on the Board of Directors on page 13.

GORETTA YEOH

Chief Financial Officer
F J Benjamin (M) Sdn. Bhd. and subsidiary

Ms Goretta Yeoh has worked with the Group for more than 25 years and oversees the financial, warehousing, logistic and treasury functions of the Group's entities in Malaysia. She stepped down from her position as director and Chief Financial Officer on 14 July 2023; and remains as a Consultant.


DR. BARBARA
STURM
Avenue
on 3
Luxury · Beauty · Cafe · Bar
Patchi


ARMÉ POUR SÉDUIRE
FAURÉ LE PAGE
PARIS 1717

LUX
URY


PrettyBallerinas

LUXURY


GUESS
LIFEST


YLE
GUESS


GUESS
TIMEPIECE


CASIO
G-SHOCK
BATT
START
MODE
RESET
SHOCK RESIST
MT-G
CASIO
G-SHOCK
MT-G


La Senza


LIFE
STYLE
SUPERDRY
SUPERDRY
SUPERDRY®


LIFEST


COLE HAAN
YLE

SKINCARE


MZ SKIN
BY DR. MARYAM ZAMANI
MZ SKIN
BY DR. MARYAM ZAMANI
THE LIGHT MOISTURISER
DAILY ANTI-AGEING PEPTIDE ENRICHED CREAM - LIGHT
CRÈME QUOTIDIENNE ANTI-ÂGEENRICHIE EN
PEPTIDES - SOIN LUMIÈRE


DR. BARBARA
STURM
DR. BARBARA
STURM
MOLECULAR
COSMETICS
SUPER
ANTI-AGING
BODY SERUM
MADE IN GERMANY


ABC
DESIGN

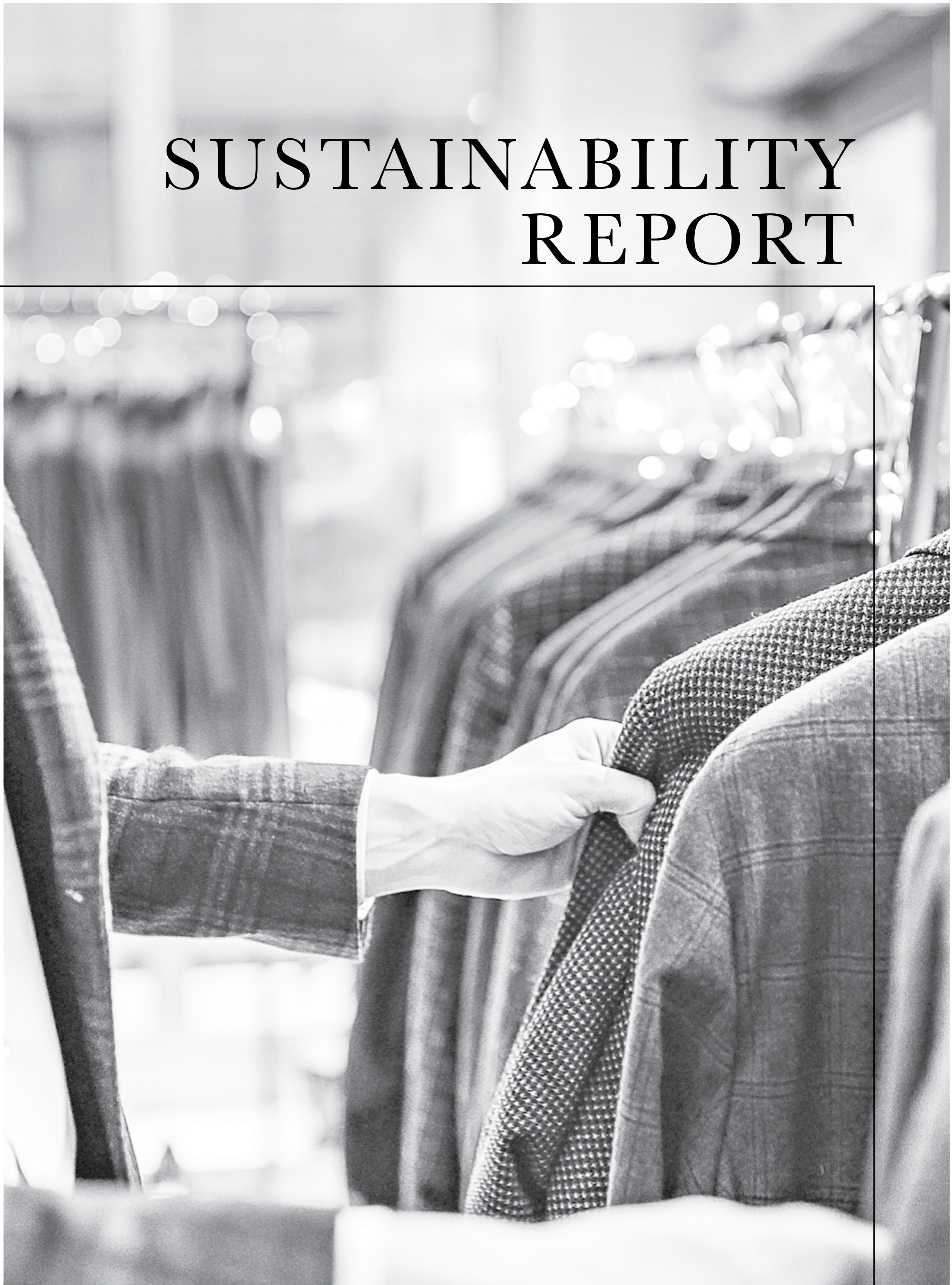
BABY AND HOME


MOBY
MOBY

BABY AND HOME


SHERIDAN
BABY AND
HOME

SUSTAINABILITY REPORT



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ABOUT THE REPORT

F J Benjamin Holdings Ltd ("**F J Benjamin**" or the "**Company**" and together with its subsidiaries, the "**Group**"), is proud to present our Sustainability Report for the financial year ended 30 June ("**FY**") 2023 (the "**Report**"). This Sustainability Report outlines our commitment to Environmental, Social, and Governance ("**ESG**") principles and our strategy to measure, monitor, and report on sustainability initiatives. By sharing Group's ESG progress, challenges, and future initiatives in this Report, we aim to foster accountability, inspire positive change, and drive our journey towards a more sustainable and responsible future.

APPROACH TO REPORTING

This Report is prepared with reference to the Global Reporting Initiative ("**GRI**") Standards 2021 and adheres to its guiding principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability. It showcases the alignment of our efforts with the United Nations Sustainable Development Goals ("**UNSDGs**"). Additionally, this Report adheres to Rules 711A, 711B and the Sustainability Reporting Guide of Practice Note 7F of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rule of Catalist (the "**Catalist Rules**"). The Report provides a transparent understanding of how the Group is addressing sustainability issues within its operations.

To identify and prioritise key ESG issues, we engage with stakeholders through regular consultations, surveys, and feedback mechanisms. This collaborative approach allows us to align our sustainability efforts with their expectations and concerns.

Addressing the climate-related crisis stands as one of the most pressing challenges. It is crucial to identify climate-related risks and establish well-defined plans and objectives to minimise the risk. In FY2023, the Group has made its first disclosure of the climate-related risk with reference to the guidelines set forth by the Task Force for Climate-related Financial Disclosures ("**TCFD**").

REPORTING SCOPE AND BOUNDARY

This Report is published for the period of **1 July 2022 to 30 June 2023** ("**FY2023**"). It provides a comprehensive overview of Group's sustainability initiatives and performance, covering significant operations in Singapore and Malaysia.

The Report encompasses details and endeavours of the parent company (**F J Benjamin Holdings Ltd**) along with its two wholly owned subsidiary companies, as follows:

SINGAPORE	MALAYSIA
F J Benjamin (Singapore) Pte Ltd	**F J Benjamin (M) Sdn. Bhd.**

The Group has adopted an operational control approach while consolidating the information.

Through this carefully defined scope and boundary, we aim to present a clear and accurate account of our sustainability initiatives, challenges, and achievements. For the FY2023 Report, the total number of stores in these two countries stands at 62, compared to 58 in the previous year.

ABOUT THE REPORT

BOARD STATEMENT

F J Benjamin Holdings Ltd is pleased to present the Sustainability Report for the financial year ended 30 June 2023. This Report is focused on the Group's strategic efforts and continued commitment to ESG factors to create long-term value for our stakeholders.

The board of directors (the "**Board**" or "**Directors**") and senior management (the "Management") of the Company is committed to establish and maintain an effective sustainability management framework, which is supported by underlying internal controls, risk management practices, and clear accountability and reporting processes. The Board evaluates and considers ESG risks and opportunities relevant to the Group during the formulation of overall business strategy, objectives, and performance measurements.

The fashion apparel industry has historically been associated with significant environmental and social challenges, and it is our responsibility to address these issues proactively. As a leading player in the retail sector, we firmly believe that we have a crucial role to play in driving positive change, setting new standards, and shaping a more sustainable future.

In recent years, we have made significant strides in embedding sustainability across our value chain. Our commitment begins with responsible sourcing practices. We prioritise working with suppliers who share our values and adhere to the highest ethical and environmental standards. Through this collaboration, we are fostering a more sustainable and transparent supply chain, which is essential in building a resilient and equitable fashion industry.

To combat the environmental impact of our operations, we have implemented measures to reduce our carbon footprint, conserve energy, and minimise waste generation. We are working actively with our brands principals in exploring sustainable materials and technologies to design products that are not only fashionable but also environmentally responsible.

At F J Benjamin, we understand that sustainability goes beyond environmental considerations. It encompasses the well-being and prosperity of our employees, customers and the communities we serve. We are committed to nurturing a diverse, inclusive and safe work environment where our employees can thrive and contribute their best. Moreover, we actively engage in community initiatives to support social causes, empowering local communities and promoting positive change.

The Group is mindful that our business objectives have to be carried out sustainably with considerations to the community and environment. We will continuously seek opportunities to reduce our carbon footprint, conserve resources and promote sustainable practices.

We are grateful to all stakeholders who have supported the Group over the years. We look forward to your continued support in building a sustainable future for generations to come.

ASSURANCE OF THE REPORT

F J Benjamin has not sought external assurance for this Report. We will consider doing so as our reporting journey matures over time.

We engaged our Internal Audit function to review the current sustainability reporting processes. The internal review was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. The scope included a risk-based review of the processes including but not limited to the sustainability governance and management; the identification, prioritisation and assessment of ESG-related risks and opportunities; reporting relevant sustainability information; climate-related disclosures and compliance against local regulatory reporting requirements.

FEEDBACK

F J Benjamin welcomes feedback from all stakeholders on our sustainability report to improve our future reporting. For sustainability related matters, you may reach out to info@fjbenjamin.com.

ABOUT THE COMPANY

F J Benjamin Holdings Ltd, a company with a rich history dating back to 1959, is a market leader in developing retail and distribution networks for global luxury and lifestyle brands throughout Southeast Asia. The Company, which has its headquarters in Singapore and has been listed on the Mainboard of the Singapore Exchange since November 1996, transferred its listing to the Catalist Board of the Singapore Exchange on March 2, 2021. F J Benjamin has offices in four cities, manages over 20 iconic brands and operates 148 outlets (including those managed by our Indonesian associate).

OUR VISION AND MISSION

Our Vision

With a motto "To lead in everything we do", the Group's vision is to be a Southeast Asian Group dedicated to delivering our promise to our customers by fulfilling their lifestyle aspirations.

Our Mission

We strive to lead in everything we do:

- Implementing strategies with deep market penetration
- Creating superior customer experiences
- Empowering employees for phenomenal growth
- Delivering sustainable and superior returns to our shareholders

ABOUT THE COMPANY

OUR SUSTAINABILITY OBJECTIVE

Carry out our business objectives sustainably with considerations to the community and environment. Working towards our commitment to the Singapore Green Plan 2030, the Group continues to refine its current strategies and adopt more environmentally friendly business practices.

OUR VALUE CHAIN

A key idea in sustainability reporting is the value chain, which covers the whole life cycle of a company's goods and services, from the procurement of input materials and services to the end-users or customers.

The Group's value chain includes four main processes and involves many considerations and choices along the way, from working with our brand principals to the point where a customer chooses a product off the shelf in a store to making an online purchase.

Partnership with Brand Principals (Suppliers)

F J Benjamin offers an extensive range of products under its belt of brands within the international luxury and lifestyle market. We strive to establish stable and long-term relationships with our brand principals in delivering products that meet the demands of today's customers.

Nominated Forwarder

We work with trusted forwarders which promote the safe and efficient transportation of products to warehouses, thereby reducing carbon footprint and better workplace environment.

Optimal Storage Solutions

Favourable storage conditions preserve the quality of the products for our customers.

Stores and Contented Customers

Our stores are tailored to deliver unique and engaging experiences for our customers. In pursuing a sustainable business model, we are inching towards the integration of online and physical store experiences, whilst taking into consideration efficient use of energy. All in all, this creates greater value to our customers and profitability.

INTEGRATING SUSTAINABILITY INTO OUR BUSINESS

OUR ASSOCIATIONS

F J Benjamin recognises the significance of collaborating with industry peers and thought leaders to foster sustainable practices and drive positive change. As part of our commitment to sustainability, F J Benjamin is a proud member of several prestigious associations that share our vision for a more responsible and resilient future. These memberships offer employees a platform to connect and engage with colleagues, share business expertise, and stay updated on the most recent trends and advancements. These interactions also open avenues for the Group to bolster its capabilities, fostering sustainable growth.

Singapore Retailers Association

SRA SINGAPORE RETAILERS ASSOCIATION
Empower Business | Build Connections | Transform Retail

Singapore Business Federation

SINGAPORE BUSINESS FEDERATION
Apex Business Chamber

Singapore Institute of Directors

SID
SINGAPORE INSTITUTE OF DIRECTORS

"AT F J BENJAMIN HOLDINGS LTD, OUR VISION IS TO LEAD OUR ORGANISATION ON A SUSTAINABLE PATH TOWARDS A FASHION INDUSTRY THAT THRIVES ON RESPONSIBLE PRACTICES, ETHICAL VALUES AND POSITIVE SOCIAL IMPACT. TOGETHER, WE ASPIRE TO SET NEW STANDARDS AND INSPIRE CHANGE, CREATING A BRIGHTER AND MORE SUSTAINABLE FUTURE FOR GENERATIONS TO COME."

CORPORATE VALUES

Our Corporate Values thrusts our commitment to sustainable practices and conscientious business conduct. They serve as the compass guiding our choices, informing our strategies and influencing our interactions. These values promote a positive influence on the environment, society and the invaluable stakeholders we are privileged to serve.

BRAND We constantly aspire to build and enrich each brand under our care, but always in cognizance of the highest quality standards that are consistent with the Brand's legacy and image. We aspire to maintain long-term relationships with our principals by demonstrating our commitment to our business partners.

ENVIRONMENT We continually strive for an environment of resilience through professionalism, commitment and sound business practices. We are proactive, resourceful and entrepreneurial. We aspire to continuously motivate ourselves and our desire to learn and progress in a competitive environment.

SHAREHOLDER We endeavour to enhance shareholder value over the long-term.

CUSTOMER We endeavour to provide customer service excellence, extending beyond geography and product to enhance the entire shopping experience.

ORGANISATION We aspire to be the most distinctive and responsive organisation with the highest quality standards in all our undertakings. We lead by example whilst maintaining a strong sense of our identity, objectivity of thought and accountability of results in pursuit of excellence.

STAKEHOLDER ENGAGEMENT

Sustainable business practices require a robust and inclusive approach to stakeholder engagement. At F J Benjamin, we recognise that our success is intertwined with the well-being and interests of various stakeholders, including shareholders, government and regulatory bodies, employees, customers, suppliers/brand principals and the environment. By actively engaging with our stakeholders, we aim to foster transparency, mutual understanding and collaborative efforts in achieving our sustainability goals.

Stakeholders	Engagement Platform	Frequency	Interest and Key Concern	Goals and Outcomes
Shareholders	• Annual general meeting • Annual reports • SGX announcements • Media releases • Corporate website	Annually Half yearly (results announcements) or when required (other announcements)	• Financial and operational sustainability • Good corporate governance • Accountability to ESG performance	Provide updates on key developments in a timely manner through various engagement methods.
Government and Regulatory Bodies	• Annual reports • SGX announcements • Engage regulators through calls or emails as required	Annually Half yearly (results announcements) or when required	Compliance to relevant government policies, rules, and regulations	Full compliance with all applicable environmental and social-economic regulations, including filing and responding to requests for information as required.
Employees	• Annual performance appraisal • E-mail communication • Intranet portal • Internal meetings • In-house magazine publication	Annually When required Half yearly	• Internal cohesiveness • Career growth • Training and development • Fair employment practices	Tailored training programmes, organising social events, bonding events and celebration of festive seasons to boost morale and promote inclusivity. Publication and circulation of in-house staff magazine to keep abreast of the Group's activities and to promote staff togetherness.

STAKEHOLDER ENGAGEMENT

Stakeholders	Engagement Platform	Frequency	Interest and Key Concern	Goals and Outcomes
Customers	• Corporate website • Customer loyalty programmes • Social media	Continuously	• Quality of products and customer service • Product launches and developments • Customer data privacy	Invest in our people to ensure that they are equipped to perform and meet customer expectations. Membership programmes that reward loyal customers. Compliance to data protection policies and training programmes to allow employees to manage customer data.
Suppliers/ Brand Principals	• Meetings and dialogues • Email communications	Continuously	• Long term partnerships • Reliable supply chain • Sustainable business growth	Communication with suppliers on risk and enhancement of opportunities in ensuring products stay attractive to customers. Engagement with brand principals through: • Monthly reporting on brand sales performance • Quarterly visits organised by brand principals • Conducting store walks and meetings • Attending networking sessions organised by brand principals
Environment	• Energy efficiency • Efficient paper usage	Continuously	Reducing carbon footprint to the environment	Eliminating energy wastage and promoting efficient energy consumption. Encouraging practices of reducing paper consumption.

OUR SUSTAINABILITY GOALS

Pillars	Material Matter	FY2023 Performance
Our Governance	Business Ethics and Compliance	• No confirmed incident of corruption or legal cases regarding corruption against the group • No confirmed instances of non-compliance cases with all applicable laws and regulations
	Customer Privacy and Data Protection	• No confirmed instances or complaints on breach of customer privacy or loss of customer data
Our People	Employee Well-being and Training	• Average training of 9 hours for every full-time staff
	Adherence to Human Rights	• No confirmed instances of discrimination in the workplace
Our Environment	Energy Efficiency	• Marginal increase in energy intensity in kWh per $ turnover

While most of our targets remain consistent with last year, we have made a revision to the average training hours target to 12 hours. This revision was a result from the adaptation training programmes that are focused on learning objectives and micro-learning where shorter training involves delivering content in small, bite-sized chunks and is highly effective as it aligns with how the human brain processes and retains information. At the front line, employees are exposed to Just-in-Time Training where employees need quick, targeted information to solve an immediate problem or perform a specific task.

MATERIALITY ASSESSMENT

The Materiality Assessment is a fundamental component of our sustainability reporting process, designed to identify and prioritise the most significant ESG issues that are relevant to our organisation and stakeholders. This assessment enables us to focus our efforts on the areas that have the greatest potential to impact our business and contribute positively to society and the environment.

In the wake of the post-COVID-19 era, a multitude of new risk factors have emerged. As a proactive response to this evolving landscape, we undertook a thorough reassessment of our material ESG risks. The first phase encompasses the identification of ESG risks and opportunities that hold relevance for the Group's operations. Following this, a subsequent step involved the prioritisation of these ESG risks by analysing the impacts to both internal and external stakeholders. Based on the prioritisation and potential/actual impact, these risks and opportunities are divided into material issues and additional issues.

Pillars	Material Issue	Materiality levels
Governance	Corporate Governance	Highly important
	Customer Privacy and Data Protection	Highly important
	Business Ethics and Compliance	Highly important
Social	Employee Well-being and Training	Highly important
	Product Quality and Customer Safety	Moderately important
	Customer Satisfaction	Moderately important
	Adherence to Human Rights	Moderately important
Environmental	Climate Change	Moderately important

OUR SUSTAINABILITY GOALS

Pillars	Additional Issue	Materiality levels
Social	Occupational Health and Safety	Highly important
	Diversity and Equal Opportunity	Moderately important
	Labour Management	Moderately important
Environmental	Carbon Footprint and Solution	Moderately important
	Energy Efficiency	Moderately important

Pillars and UNSDG Linkage	Material Topic	Impact	Management Approach	Target for FY2024
Environmental	Carbon Footprint and Solution	Risk of consumer disengagement due to its high carbon footprint, impact of potential carbon taxation and compliance necessitating the implementation of sustainable practices and eco-friendly solutions to mitigate environmental impact.	We adopt a proactive approach to measure and reduce our carbon footprint, integrating green solutions to combat climate change.	To maintain or reduce level of electrical consumption.
	Energy Efficiency	Enhancing retail brand's sustainability and cost-effectiveness by implementing energy-efficient practices, reducing environmental footprint while maximising profitability.	Implementing best practices and prioritising energy efficiency to minimise environmental impact.	
	Climate Change	Climate change poses a significant risk to the retail brand, jeopardising supply chain stability, customer demand and brand reputation due to increased extreme weather events, resource scarcity and shifting consumer preferences towards sustainable practices.	Committed to mitigating climate change, we periodically review all physical risks and transition risks.	

Pillars and UNSDG Linkage	Material Topic	Impact	Management Approach	Target for FY2024
Social 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION	Employee Well-being and Training	Enhance employee well-being and training to foster a motivated workforce, improve performance, and cultivate a positive work culture, ultimately boosting customer satisfaction and business growth.	We prioritise employee well-being through comprehensive training and support programmes, fostering a culture of growth and development.	To achieve an annual average training hours of 12 hours for every full-time staff.
3 GOOD HEALTH AND WELL-BEING 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Product Quality and Customer Safety	The inadequate product quality control and failure to ensure customer safety may result in customer dissatisfaction, potential harm, legal liabilities, and damage to brand reputation.	Ensuring top-notch product quality and customer safety is our paramount concern, and we continuously enhance our standards.	
3 GOOD HEALTH AND WELL-BEING 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Customer Satisfaction	Insufficient focus on customer preferences and service excellence may result in declining customer satisfaction, leading to reduced brand loyalty, negative word-of-mouth and ultimately, a decline in sales and market share.	Our customer-centric approach drives us to consistently exceed expectations and enhance overall satisfaction.	
5 GENDE EQUALITY 10 REDUCED INEQUALITIES	Diversity and Equal Opportunity	Embracing diversity, fostering inclusivity and promoting equal opportunities creates a vibrant and empowering environment that celebrates uniqueness and caters to diverse customers worldwide.	Promoting diversity and equal opportunities is central to our values, fostering an inclusive and equitable workplace.	Adhere to the principles of the Tripartite Guidelines on Fair Employment Practices.
8 DECENT WORK AND ECONOMIC GROWTH	Labour Management	Inadequate labour management may lead to staffing shortages, poor employee morale, decreased productivity and compromised customer service, ultimately impacting sales and brand reputation.	We maintain constructive relationships with our workforce, adhering to fair labour practices and fostering open communication.	

OUR SUSTAINABILITY GOALS

Pillars and UNSDG Linkage	Material Topic	Impact	Management Approach	Target for FY2024
Social	Occupational Health and Safety	Inadequate implementation of occupational health and safety measures may expose employees to hazards, leading to injuries, illnesses and potential legal liabilities.	Committed to providing a safe working environment, we prioritise occupational health and safety at all levels.	To maintain zero workplace injury incidents resulting in a fatality or permanent disability.
	Adherence to Human Rights	Failure to ensure strict adherence to human rights principles throughout the supply chain may result in reputational damage, legal consequences and loss of consumer trust for the brand.	Respecting and upholding human rights is embedded in our operations, and we collaborate to address human rights challenges.	To maintain zero instances of discrimination and violation of human rights.
Governance	Customer Privacy and Data Protection	Insufficient safeguards for customer privacy and data protection may lead to breaches, compromising sensitive personal information, damaging trust, violating regulations and resulting in legal consequences and reputational harm.	We prioritise customer privacy, implementing robust data protection measures to safeguard their information.	To maintain zero substantiated complaints concerning breaches of customer privacy and losses of customer data.
	Business Ethics and Compliance	Failure to uphold stringent business ethics and compliance standards may result in reputational damage, legal repercussions and loss of customer trust, impacting long-term sustainability and profitability.	Upholding the highest ethical standards, we strictly adhere to regulatory requirements and promote ethical conduct.	To maintain zero incidents of non-compliance with laws and regulations and zero corruption case.
	Corporate Governance	Inadequate corporate governance practices may lead to ethical violations, loss of shareholder trust, regulatory non-compliance and damage to the Group's reputation, impacting long-term sustainability and profitability.	Transparent corporate governance practices guide our decision-making, ensuring accountability and responsible leadership.	To maintain zero instances of non-compliance cases with all applicable laws and regulations.

OUR GOVERNANCE

Governance lies at the heart of our commitment to sustainability and ethical business practices. Our robust governance framework, including our principles, policies and practices defines the Group's responsible and transparent approach to conducting business. The Group strives to enhance stakeholder value by upholding high standards of corporate governance, integrity and accountability at all levels, underpinned by robust internal controls in monitoring compliance matters, code of ethics and risk management system.

In the process of designing the governance framework, the Group has taken into consideration the associated risks and opportunities relevant to the sustainability of our business.

The Board and Sustainability Reporting Team remain committed to uphold sustainability governance standards, fostering continuous and sustainable growth for all stakeholders. The Group will persist its efforts to achieve a balanced disclosure concerning the management and monitoring of material ESG factors, seeking continuous improvement in these areas.

BOARD OF DIRECTORS

The Board provides guidance for the overall direction of the Group's ESG agenda. The Board is updated on the sustainability efforts of the Group bi-annually.

GROUP CHIEF EXECUTIVE OFFICER

The CEO steers and oversees the implementation of ESG factors in business strategies. The CEO sets the sustainability targets and disclosure standards for the Group.

HEAD OF DEPARTMENTS

Heads of Departments from different job functions including Human Resource, Operations, Finance and Compliance are responsible for monitoring and managing the implementation of sustainability strategies through the Sustainability Reporting Team.

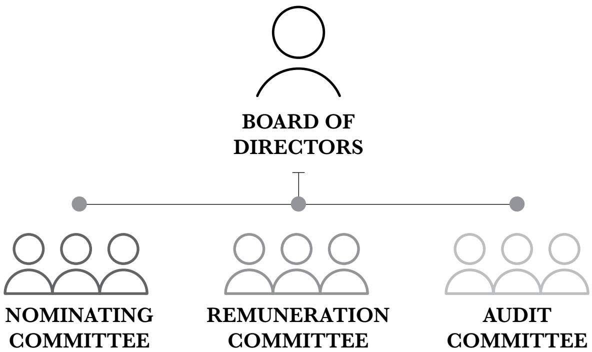
SUSTAINABILITY REPORTING TEAM

The Sustainability Reporting Team deploys and supports the implementation of ESG factors in accordance with directions set by the Board and the CEO. The Sustainability Reporting Team reports the performance of the ESG factors at the working level.

OUR GOVERNANCE

OUR BOARD AND BOARD COMMITTEES

F J Benjamin's Board has played a pivotal role in shaping our sustainability initiatives, driving us towards a future where economic prosperity goes hand-in-hand with environmental and social responsibility. Our commitment to transparent and responsible governance is demonstrated through our Board committees and their unwavering dedication to independence. These committees are instrumental in overseeing various aspects of our company's operations, ensuring accountability and upholding the highest standards of ethical conduct.



As at 30 June 2023, the Board comprises five Directors, three of whom are Independent Directors (60%) and two Executive Directors (40%). Although there is currently no female Director appointed to the Board, the Board has been actively searching and identifying suitable female candidates to come on-board. The Board hopes to have a female Board member on board in FY2024.

Throughout the reporting period, our directors actively participated in various Board meetings, Board committee meetings, and general meetings, demonstrating their dedication to fulfilling their fiduciary duties and contributing to informed decision-making. Regular meetings provided a platform for constructive discussions on matters ranging from strategic planning and financial performance to sustainability initiatives and risk management.

For detailed information on our board and Board committees, please refer to the "Corporate Governance" section of our Annual Report.

BUSINESS ETHICS AND COMPLIANCE

F J Benjamin's commitment to ethical conduct is embedded into our Corporate Governance framework. We firmly believe that our success is intrinsically linked to our unwavering dedication to business ethics and compliance. Officers and employees across the Group adhere to the code of conduct guidelines that the Group has established. Every new employee is given the Employee Code of Conduct, so that they will become familiar with the expected standards and behaviour while carrying out their tasks.

CORPORATE CODE OF ETHICS

Our Corporate Code of Ethics serves as the compass ensuring that our business operates ethically and fairly. It underscores the responsibilities and duties of every director and employee of the Company. This code is fortified by a comprehensive set of policies that provide clear guidance for decision-making, reinforcing our commitment to ethical conduct.

A. Employee Code of Conduct

Our Employee Code of Conduct outlines the expectations for each employee's behaviour and output. The Employee Code of Conduct places a strong emphasis on the following principles:

- Honest and ethical business practices;
- Confidentiality of information;
- Conflicts of interest;
- Protection of the Company's assets and resources;
- Fair employment and remuneration practices;
- Relationship-building with customers, suppliers, and contractors;
- Financial accountability and controls;
- Responsibility to the community and environment;
- Personal conduct outside of work hours.

F J Benjamin upholds a zero-tolerance policy for any infraction of the Employee Code of Conduct. Discipline measures, which may include reporting the incident to the proper authorities, when necessary, may be taken in response to wrongdoings.

B. Code of Conduct and Ethics for Directors

Our Code of Conduct and Ethics for Directors establishes a framework wherein honesty, accountability and ethical conduct are expected from the Directors in fulfilling their duties. It acts as a guide for the Directors in the area of ethical risk.

C. Internal Code on Dealing in Securities

The consequences of insider trading are outlined in our internal code on Dealing in Securities, which also provides direction and internal regulation on how the Group's directors and employees may transact in its securities.

D. Whistleblowing Policy

The process to report any instances of fraud, corruption, or other unethical workplace behaviour is outlined in our Whistleblowing Policy. The Whistleblowing Policy encourages all stakeholders to raise any concerns they may have in good faith and without fear of retaliation about potential irregularities in financial reporting or misbehaviour within the Group. These reports are sent directly to the Head of Internal Audit and Audit Committee Chairman for inquiry, along with the background information, timeline of events, grounds for concern, and the name of the alleged party involved.

ENSURING COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognised that by engaging in responsible business practices and maintaining compliance with the applicable laws and regulations where it operates in, it builds a positive reputation which gives F J Benjamin an edge over its peers in terms of its offerings and recruitment of high-calibre candidates. These factors are pivotal in driving business performance and promoting our growth as a Group.

For any new regulatory requirements, relevant staff are provided opportunities to attend training and workshops to gain a better grasp of the compliance requirements. In addition, F J Benjamin works closely with accredited external auditors, its sponsor, and its legal advisors to ensure adherence to all regulatory requirements with the Catalist Rules, Companies Act and the various Singapore Financial Reporting Standards (International).

The Group did not identify any non-compliance with socioeconomic laws and regulations during FY2023. The Group targets to maintain zero instances of non-compliance with socioeconomic laws and regulations in FY2024.

ANTI-CORRUPTION

The Employee Code of Conduct Policy seeks to further instil in our workers the responsibilities and duties of each employee, as well as those of our owners, stakeholders, and clients. The Group has zero tolerance for corruption and takes a firm stand against corrupt practices. The Group has a clear whistleblowing policy that enables staff members and other interested parties to voice their concerns about any alleged wrongdoing.

There were no documented instances of corruption in FY2023. In FY2024, the Group aims to continue to maintain a zero reported corruption rate.

CUSTOMER PRIVACY AND PERSONAL DATA PROTECTION POLICY

The Group has a Customer Privacy and Personal Data Protection Policy that covers the practises and standards necessary to protect customers' privacy and personal data under Singapore's Personal Data Protection Act of 2012. The Group's Enterprise Risk Management Framework manages the Group's compliance with the standards and is reviewed by the Internal Auditor bi-annually.

SOCIAL

As we navigate the complexities of the 21st-century marketplace, we are keenly aware that our impact extends beyond balance sheets and production lines. It reaches into communities, shapes social structures and affects lives in tangible ways. That is why our commitment to sustainability is not just an addendum to our business model; it is an integral part of how we envision our corporate citizenship.

In this section, we highlight the initiatives the Group has undertaken to ensure the well-being of our employees, foster equity, and contribute positively to the communities we touch. From implementing comprehensive training programmes to engaging in philanthropy that addresses systemic social challenges, we are striving for a future where business success and social progress go hand-in-hand.

As a forward-thinking organisation, we see each employee as an individual with infinite potential and encourage life-long learning and practice empowerment in decision making at all levels. We firmly believe that F J Benjamin will not be where it is today without the unique contribution of every employee.

Employee Profile

The employee profile section of a sustainability report provides a comprehensive overview of an organisation's workforce and their contributions towards sustainable practices and social responsibility. It showcases the Company's commitment to its employees' well-being, diversity and inclusion, training and development and efforts to promote a positive work environment. The aim of this section is to highlight how employees are integral to the organisation's sustainability journey and how their efforts align with the Company's overall sustainability goals.

As at 30 June 2023, there were 622 (full time and part time employees) people working for F J Benjamin in Singapore ("**SG**") and Malaysia ("**MY**"), representing a mix of nationalities within Asia.

FY2023

Total Employees	SG	MY	Total
Total	**164**	**458**	**622**

FY2022

Total Employees	SG	MY	Total
Total	**162**	**407**	**569**

Our organisation consists majority women with a ratio of 70:30 female-to-male ratio.

FY2023

By Employee Type	Male	Female	Total
Full Time Employees	182	350	532
Part Time Employees	7	83	90
Total	**189**	**433**	**622**

FY2022

By Employee Type	Male	Female	Total
Full Time Employees	161	336	497
Part Time Employees	11	61	72
Total	**172**	**397**	**569**

Diversity and Equal Opportunity

At F J Benjamin, we are committed to upholding fair employment practices and compliance with the respective local hiring regulations. As an organisation that respects and celebrates diversity regardless of race, religion, gender, age, nationality, and marital status, the Group does not tolerate any form of discrimination. The Group strongly believes in providing equal opportunities in all aspects of employment, job assignment, compensation, discipline, and access to benefits.

Breakdown of full-time employees by age group and gender as of 30 June 2023 and 30 June 2022 are as follows:

FY2023

By Age	Male		Female		Total	
<30	87	48%	130	37%	217	41%
30-50	81	45%	178	51%	259	49%
>50	14	7%	42	12%	56	10%
Total	**182**	**100%**	**350**	**100%**	**532**	**100%**

FY2022

By Age	Male		Female		Total	
<30	65	40%	115	34%	180	36%
30-50	81	50%	181	54%	262	53%
>50	15	10%	40	12%	55	11%
Total	**161**	**100%**	**336**	**100%**	**497**	**100%**

In line with the recommendations put forth by the Tripartite Workgroup on Older Workers and as an employer that strives to ensure that its workplace is age-inclusive, F J Benjamin has given retiring employees the choice to work in the company for as long as they are willing and able to, so that they may fulfill their personal and financial aspiration. They are essential to the Company's continuing succession planning by sharing their extensive experience with the younger peers.

Breakdown of full-time employees by employment category as of 30 June 2023 and 30 June 2022 are as follows:

FY2023

	Male	Female	Total
Frontline			
Managers	4	8	12
Supervisors	23	42	65
Sales Associates	90	192	282
Backend			
Senior Managers and above	5	11	16
Managers	8	23	31
Executive	52	74	126
Total	**182**	**350**	**532**

FY2022

	Male	Female	Total
Frontline			
Managers	2	9	11
Supervisors	8	13	21
Sales Associates	86	217	303
Backend			
Senior Managers and above	6	8	14
Managers	8	17	25
Executive	51	72	123
Total	**161**	**336**	**497**

Due to the nature of our business, a large proportion (67%) of our employees fall under the frontline category who are responsible for carrying out day-to-day sales of brands under our Group. The remaining 33% of our employees comprise office executives and management personnel.

We recognise the importance of diversity across its workforce, particularly in senior management roles. As at 30 June 2023, 50% (2 out of 4) of the senior management appointment holders are female. We strive to upholding and further enhancing diversity within our workforce.

New hires and turnover by gender

FY2023

	SG		MY		Total	
New hires during the year						
Male	17	25%	107	48%	124	43%
Female	50	75%	114	52%	164	57%
Total	**67**	**100%**	**221**	**100%**	**288**	**100%**
Resigned during the year						
Male	11	17%	92	49%	103	41%
Female	55	83%	95	51%	150	59%
Total	**66**	**100%**	**187**	**100%**	**253**	**100%**

FY2022

	SG		MY		Total	
New hires during the year						
Male	10	19%	59	35%	69	31%
Female	44	81%	110	65%	154	69%
Total	**54**	**100%**	**169**	**100%**	**223**	**100%**
Resigned during the year						
Male	14	19%	69	33%	83	30%
Female	59	81%	139	67%	198	70%
Total	**73**	**100%**	**208**	**100%**	**281**	**100%**

New hires and turnover by age group

FY2023

	SG		MY		Total	
New hires during the year						
< 30	28	42%	155	70%	183	64%
30 to 50	34	51%	62	28%	96	33%
>50	5	7%	4	2%	9	3%
Total	**67**	**100%**	**221**	**100%**	**288**	**100%**
Resigned during the year						
< 30	20	30%	124	66%	144	57%
30 to 50	43	65%	59	32%	102	40%
>50	3	5%	4	2%	7	3%
Total	**66**	**100%**	**187**	**100%**	**253**	**100%**

FY2022

	SG		MY		Total	
New hires during the year						
< 30	32	59%	112	66%	144	65%
30 to 50	21	39%	55	33%	76	34%
>50	1	2%	2	1%	3	1%
Total	**54**	**100%**	**169**	**100%**	**223**	**100%**
Resigned during the year						
< 30	32	44%	139	67%	171	61%
30 to 50	38	52%	68	33%	106	38%
>50	3	4%	1	0%	4	1%
Total	**73**	**100%**	**208**	**100%**	**281**	**100%**

Training and Education

We understand that knowledge dissemination and skills-building are key in driving sustainable development. With global challenges like climate change, resource depletion and social inequality looming, the need for effective sustainability training and education has become more apparent than ever.

In line with our development strategy, on-the-job training for new front-end employees is conducted within our stores. New hires are paired with experienced staff or supervisors for practical training. Their product knowledge is then evaluated using a checklist at the end of the training period. This training is designed to meet brand-specific requirements is led by our Store Operations and Merchandising teams. This ensures that both service standards and product knowledge meet the expectations of our brand principals.

On-the-Job Training

On-the-Job Training ("**OJT**") is a practical and hands-on approach to learning where employees acquire new skills, knowledge, competencies while performing their regular job duties.

Progressive Wages Model Training

The Progressive Wages Model Training is a structured training programme that emphasizes skill development and wage progression for employees.

Senior Staff Mentoring

Senior Staff Mentoring is a mentoring programme that pairs experienced and seasoned employees with less experienced or new employees.

Management Training Programmes

Selected employees are identified to attend courses, workshops and seminars held by professional bodies to keep abreast with latest development and changes in regulatory, governance and accounting.

Training hours conducted during the year:

FY2023

	Average hours of training per year per employee		
Category of Employees	Male	Female	Total
Frontline	7	8	8
Backend	8	10	9
Total	**8**	**9**	**9**

In FY2023, the average training hours per employee is 9 hours. We are continuously monitoring and evaluating the training needs of the employees. The Group will continue to increase the training hours in FY2024.

Talent Management

Effective talent management plays a pivotal role in ensuring operational success and sustaining growth within our organisation. Part of our talent management framework, we conduct an annual performance appraisal for all employees. This appraisal serves the dual purpose of identifying areas for development and catering to specific individual needs. Following these assessments, appraisal results will be promptly communicated to each employee, and their contributions will be duly recognised and acknowledged. This holistic approach to talent management ensures that our workforce remains motivated, skilled, and aligned with our organisational goals, fostering a culture of continuous improvement and growth.

TALENT RECRUITMENT

Talent Scouting

- Using multiple channels to advertise positions
- Online search for talents
- Proactive scouting of talent through mystery shopping

Talent Screening

- Initial screening through phone interview by HR
- In depth face to face interview with hiring manager for detailed assessment of suitability of candidate for a particular brand

TALENT TRAINING

Frontline talent development

- Product knowledge and training conducted by brands and HR teams
- Buddy System for junior staff for mutual learning and guidance
- Testing of product knowledge post training period

Backend Talent Development

- Sending employees to ad-hoc structured courses
- On the job training
- Examination leave for employees

PERFORMANCE REVIEW

- Yearly appraisal of staff is conducted one to two month prior to the close of financial year
- HR manager works closely with stores and brand managers on a monthly basis to discuss, plan and follow up on talent management matters such as the training needed

Employee Benefits and Satisfaction

In our commitment to fostering a sustainable and responsible business environment, we place great importance on the well-being and satisfaction of our employees. Employee benefits are a vital aspect of our sustainability initiatives, and we take pride in providing packages that not only support our workforce but also contribute to the long-term viability of our Company. In this brief, we outline the employee benefits we offer. Additionally, employees are given a month's notice before implementing any operational changes.

Particulars	Singapore	Malaysia
Life Insurance/ Personal Accident	✓	✓
Health Care	✓	✓
Disability and Invalidity Coverage	✓	NA
Leave		
– Paternity Leave	✓	✓
– Maternity Leave	✓	✓
– Childcare Leave	✓	NA
Staff Discount	✓	✓

Employee Health and Safety

As the COVID-19 pandemic continues to evolve towards a "new normal", the Group recognises the need for new ways of working, which accelerated the adoption of flexible work arrangements, whereby employees remain productive even when not physically on-site. The Group continues to observe safe management measures at our retail outlets and office to safeguard the well-being of our customers and employees. Face masks, hand sanitizers, and ART test kits are available to our employees.

Employee concerns and feedback

The Group actively fosters a robust communication channel with managerial staff, emphasising the critical nature of all forms of feedback. Management personnel, often positioned on the front lines, possess unique access to an array of evaluative data. This encompasses formal and informal employee communication, acquired through individual dialogues, team gatherings, and casual workplace interactions. Such exchanges serve as invaluable reservoirs of insights regarding key drivers and deterrents that impact team morale, employee retention, engagement, and overall productivity.

In the context of exit interviews, the primary objective is to garner candid insights from departing employees to understand the fundamental factors influencing their decision to disengage from the Company.

An average of one to two months before the end of the fiscal year, the staff is given a yearly evaluation. Every month, the HR manager collaborates closely with the store and brand managers to discuss, plan, and monitor talent management issues, including the required training.

Occupational Health and Safety

We at F J Benjamin regard Occupational Health and Safety as an integral component of our business sustainability strategy. We are committed to creating a safe and healthy environment for our employees by following the guidelines of all required legislations.

Singapore - Workplace Safety and Health Act 2006, Work Injury Compensation Act

Malaysia - The primary legislation governing occupational health and safety in Malaysia is the Occupational Safety and Health Act 1994 (OSHA 1994).

There were no major injuries reported in FY2023.

OUR CUSTOMERS

At F J Benjamin we are not just in the business of selling luxury and lifestyle products; we are devoted to rekindling the romance of shopping and creating a unique in-store experience. Our commitment to customer-centricity is at the heart of everything we do. As purveyors of exclusive collections in luxury and lifestyle fashion, timepieces, beauty, and health, we understand that our discerning clientele seeks more than just products; they crave an unforgettable experience.

Tailoring Shopping Experience to Individual Desires:

Our approach to customer centricity begins with an understanding of our customers' desires. We recognise that each patron is unique, with distinct tastes and preferences. That is why we invest in personalised services and attentive staff who guide customers through their shopping journey, curating selections that resonate with their individual style and aspirations.

Seamless Shopping Experiences:

We recognised that we must create a new value for our modern shoppers, beyond selling them a product. By creating a retail space with a blend of physical and digital, we are able to create seamless shopping experiences that are compelling. From personalised online shopping platforms to immersive in-store experiences, we provide a range of channels that effortlessly connect our customers with the shopping experience they crave.

Customer Feedback

We recognise the importance of actively listening to our customers and addressing their concerns to enhance our sustainability efforts. Each concern must be addressed, and a response given within seven days. We prioritise customer satisfaction and the feedback we gather plays a pivotal role in enhancing our services, operations and overall business operation.

Awards and Accolades

We have achieved the top position in the Lingerie category for the 'Singapore's Best Customer Service 2022/2023' award, which is organised by The Straits Times in partnership with analytics firm Statista.

OUR COMMUNITY

Since 1959, our Company has actively participated in several humanitarian endeavours in Singapore and elsewhere. Giving to charities is, in our opinion, an essential component of corporate social responsibility.

We have established the charity Giving Committee, comprising senior or key personnel from the F J Benjamin group of companies, to efficiently administer and direct our charity initiatives. To maintain a disciplined and open approach to our philanthropic pursuits, the Committee meets annually to determine the budget to be set aside for charitable giving and meet as and when required to review and approve any request for charitable giving submitted.

We have established specific charitable goals with an emphasis on helping organisations that benefit the community, the arts, health, and education in Singapore and other places. Additionally, we actively support initiatives that improve the neighbourhoods where our workers reside and work.

Community Engagement

Community engagement is a critical aspect of sustainability reporting, as it plays a key role in understanding and addressing the social and environmental impacts of an organisation within the communities in which it operates.

In FY2023, the Group has supported A Symphony of Passion, in which the Singapore Symphony Orchestra ("**SSO**") and Food From the Heart ("**FFTH**") have banded together to present a joint fundraising gala. The contribution goes on an equal-share basis towards supporting the SSO's artistic pursuits locally and internationally and FFTH's quest to create a world free of hunger.

We recognise that our mission to deliver outstanding value extends beyond financial metrics to include a responsibility to our planet. Sustainability is integral to our operations, ethos, and long-term vision. As we tread this path, this section of our Report stands as a testament to our commitment to ecological stewardship.

With Singapore's commitment to the United Nation's 2030 Sustainable Development Agenda and the Paris Agreement, the Singapore Green Plan 2030 mobilises the entire nation to advance the national agenda on sustainable development. Organisations are encouraged to adopt environmentally friendly business practices to move towards the national objective of achieving long-term Net Zero Emissions to build a sustainable future.

This year, we have taken significant strides to minimise our carbon footprint, champion circular economy principles, and preserve natural resources, without compromising efficiency or innovation. We have adopted sustainable practices, enabling us to push boundaries while nurturing the Earth we all share.

The Group did not identify any non-compliance with environmental laws and regulations during FY2023. The Group targets to maintain zero instances of non-compliance with environmental laws and regulations in FY2024.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD)

We are committed to our sustainability approach and make every effort to ensure that our activities generate a beneficial influence on both the environment and society. Through adhering to the TCFD recommendations, we aspire to proactively address climate change and its potential impact on our business with the ultimate goal of making meaningful contribution to a more sustainable future.

In line with the SGX's enhanced requirements on Sustainability Reporting Guidelines, all listed companies are required to provide climate reporting on a 'comply or explain' basis through a phased approach. We have adopted the TCFD recommendations disclosures across the four pillars – Governance, Strategy, Risk Management and Metrics and Targets.

Governance

The Board provides guidance of the Group's sustainability strategy including addressing the climate-related risks and opportunities. The Sustainability Reporting Team is led by the Group CEO and comprises heads of departments from various job functions. The CEO steers and oversees the implementation of sustainability strategies. The Sustainability Reporting Team deploys and supports the implementation of strategies.

Strategy

The Group recognises the impact of climate change on the business. We have established the Risk Management Framework to identify, analyse and evaluate the climate-related risks and implementing measures to mitigate the risks. In FY2023, we have identified the physical and transition risks which could potentially impact our operations and are stated in the table below under "Risk Management".

The Group will enhance the TCFD disclosure by using climate-related scenarios in the subsequent reports as we are still in the midst of conducting a thorough assessment of scenario analysis.

Risk Management

Climate change has the potential to impact our future financial outcomes and disrupt our business operations. We are committed to mitigate the climate-related risk through continuous assessing, monitoring and risk management. We have identified and categorised the key risks into two groups.

Risk Management

Risk	Responses and Measures
Physical risk	Unpredictable events including severe weather, flooding, and rising in temperature would potentially disrupt our retail operations. Floods will have an impact on both shops and offices, and potentially causing damage to the inventory. Warmer weather may result in an increased demand for electricity to power cooling systems. The Group has implemented various initiatives to reduce the carbon footprint.
Transition risk	Customers' demand for sustainable products will increase. The Group will lose market share if we fail to identify consumer trends by using environment-friendly materials. Some of ours brands like Guess, Superdry, and Cole Haan are committed to using materials that have low impact on the environment, making the products more sustainable. We will continue to monitor consumer trends and partner with brands that are working towards sustainable environment.

Metrics and Targets

We acknowledge the significance of establishing emission reduction targets. We have disclosed Scope 2 greenhouse ("**GHG**") emissions and energy consumption. Our target is to reduce our GHG emissions and electricity consumption.

ENERGY AND EMISSIONS MANAGEMENT

In our commitment to sustainable practices, we have closely monitored our electricity consumption across our offices, warehouses, and stores in Singapore and Malaysia. The scope of our electricity consumption reporting encompasses all relevant facilities within these locations. To ensure accurate comparisons and meaningful insights, we have employed two intensity metrics: First, per employee and second, per dollar of turnover. This metric allows us to efficiently assess and benchmark our energy efficiency performance. By utilising intensity metrics, we strive to identify areas for improvement, implement energy-saving measures, and optimise resource utilisation to reduce our environmental impact and foster a more sustainable future.

	FY2023			FY2022		
Particulars	**SG**	**MY**	**Total**	**SG**	**MY**	**Total**
Total Electricity (In KWh)	427,298	1,860,979	2,288,277	409,701	1,615,636	2,025,337
Source of Electricity						
Purchased from outside	427,298	1,860,979	2,288,277	409,701	1,615,636	2,025,337
Energy Intensity						
Energy Intensity in kWh per employee	–	–	4,301.27	–	–	4,075.12
Energy Intensity in kWh per $ turnover	–	–	0.026	–	–	0.025
Energy Intensity in kWh per square foot	–	–	10.81	–	–	10.08

The increase in electricity consumption is mainly due to opening of new stores in Malaysia.

At F J Benjamin, our primary emission footprint stems from electricity used for lighting and air-conditioning to run our retail stores, warehouses, and offices.

OUR ENVIRONMENT

We continue to recognise the importance of managing our operational energy usage. We understand that our actions have a direct impact on environmental issues such as climate change. As such, we take all feasible steps to ensure that energy is not wasted in the course of our business. We have implemented several initiatives in our facilities:

- Replacing lighting with energy-saving bulbs and LED on displays and ceilings
- Internal monitoring of electrical usage by switching off lights and air-conditioning in unoccupied areas in the office or during lunch
- Setting the correct temperature of air-conditioners in the office to save electricity
- Encourage using digital meeting methods, where possible, to minimise the need to travel.

In FY2023, the Group's total electrical consumption totalled 2,288,277 kWh, producing 1,373,314 Kg CO_2 (Scope 2) emissions.

	FY2023			FY2022		
Particulars	**SG**	**MY**	**Total**	**SG**	**MY**	**Total**
Scope 2 Emission (KG CO_2)	173,355	1,199,959	1,373,314	166,216	1,041,762	1,207,978
Emission Intensity in KG CO_2 per employee	–	–	2,581.42	–	–	2,430.53
Emission Intensity in KG CO_2 per $ turnover	–	–	0.016	–	–	0.015
Emission Intensity in KG CO_2 per square foot	–	–	6.49	–	–	6.01

The calculation of GHG emissions for the specified period (1 July 2022 to 30 June 2023) primarily focuses on carbon dioxide ("**CO_2**") emissions. The approach used for emissions is based on the "operational control" method. This means that the emissions are calculated based on the activities over which the entity has direct operational control.

The gases included in the calculation are limited to CO_2, and the emissions are reported in tonnes of CO_2. Scope 2 emissions are calculated from the consumption of grid electricity in Singapore and Malaysia. The emission factors for electricity consumption are obtained from reputable sources: the Energy Market Authority for Singapore (0.4057 kg CO_2/kWh) and the Institute of Global Environment Strategies for Malaysia (0.6448 kg CO_2/kWh).

WASTE MANAGEMENT

Reducing the use of carrier bags

In line with the Zero Waste Nation initiative by the Ministry of Sustainability and the Environment and the National Environment Agency of Singapore, in FY2022, we began encouraging our customers to bring their own bags and reduce the use of carrier bags by requiring a minimum charge for providing it. The initiative has been effective, and the Group intends to continue encouraging customers to cultivate green consumption habits that promote recycling and safeguard the planet's resources.

There was a notable reduction of carrier bags at the store. The tracking is done by identifying the quantity of carrier bags being charged, which equates to the consumption of carrier bags.

Paper Consumption

Our offices produce significant quantities of waste, such as paper, which provide great potential for waste minimisation and recycling. Our Group recognises this and has taken the stand to reduce the consumption of paper in the office by introducing the following initiatives:

- Thinking before printing and using double-sided printing option when required
- Encouraging the use of digital documents to replace printed handouts in meetings
- Opting for paperless billing and online payment options where possible
- Storing common information such as Staff Handbook, Policies and Manuals, forms, and claims electronically
- Using technology to share documents and information in a secure manner and taking notes digitally
- Use the blank side of used paper for drafting, printing, and taking notes
- Reuse used envelopes for sending internal mail
- The photocopiers in Singapore and Malaysia are equipped with a user login function prior to executing their printing. This feature enables the user to manage their printing at the copier should the printing job be no longer required and hence able to manage to paper consumption.

The Company engages a specialist vendor that destroys printed corporate confidential documents as part of the Company's data security policy. The vendor was selected on the merit that they are able to certify that the destroyed documents are 100% recycled.

GRI CONTENT INDEX

STATEMENT OF USE

F J Benjamin has reported the information cited in this GRI content index for the period of 01 July 2022 to 30 June 2023 with reference to the GRI Standards.

GRI Standard	Disclosure	Section of Report	Page Reference
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Company	Pg 41
	2-2 Entities included in the organization's sustainability reporting	About the Report	Pg 39
	2-3 Reporting period, frequency, and contact point	About the Report	Pg 39
	2-4 Restatements of information	No restatement of information	–
	2-5 External assurance	About the Report	Pg 41
	2-6 Activities, value chain and other business relationships	About the Company	Pg 42
	2-7 Employees	Our People	Pg 55-60
	2-8 Workers who are not employees	Our People	Pg 55-60
	2-9 Governance structure and composition	Our Board and Board Committees	Pg 51-52
	2-10 Nomination and selection of the highest governance body	Our Board and Board Committees	Pg 51-52
	2-11 Chair of the highest governance body	Our Board and Board Committees	Pg 51-52
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance	Pg 51
	2-13 Delegation of responsibility for managing impacts	Governance	Pg 51
	2-14 Role of the highest governance body in sustainability reporting	Governance	Pg 51
	2-22 Statement on sustainable development strategy	Board Statement	Pg 40
	2-23 Policy commitments	Business Ethics and Compliance	Pg 52-54

GRI Standard	Disclosure	Section of Report	Page Reference
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Business Ethics and Compliance	Pg 52-54
	2-28 Membership associations	About the Company	Pg 43
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	Pg 45-46
	2-30 Collective bargaining agreements	Not Applicable	–
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment	Pg 47-48
	3-2 List of material topics	Materiality Assessment	Pg 47-50
	3-3 Management of material topics	Materiality Assessment	Pg 47-50
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption and Corporate Code of Ethics	Pg 53-54
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption	Pg 54
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy and Emissions Management	Pg 63-64
	302-3 Energy intensity	Energy and Emissions Management	Pg 63
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Energy and Emissions Management	Pg 64
	305-4 GHG emissions intensity	Energy and Emissions Management	Pg 64
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	Pg 65
	306-2 Management of significant waste related impacts	Waste Management	Pg 65
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Diversity and Equal Opportunity	Pg 57
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Benefits and Satisfaction	Pg 59

GRI CONTENT INDEX

GRI Standard	Disclosure	Section of Report	Page Reference
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety	Pg 60
	403-3 Occupational health services	Occupational Health and Safety	Pg 60
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Education	Pg 58
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Management	Pg 58
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Equal Opportunity	Pg 55-57
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Privacy and Personal Data Protection Policy	Pg 54

The Board of Directors (the "Board" or "Directors") of F J Benjamin Holdings Ltd (the "Company") is committed to high standards of corporate governance. The Company has adopted the Code of Corporate Governance 2018 (the "Code"). This report describes the Company's corporate governance practices for the financial year ended 30 June 2023 ("FY2023") with specific reference to the principles and provisions of the Code. The Company has adhered to the principles and provisions of the Code (except where otherwise explained) as well as the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist (the "Catalist Rules"). Variations in practice from any provisions of the Code, including explanations of variations, and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code, as well as measures that have been taken by the Company or intends to take are set out in this report. The Company will continue to assess its needs and implement appropriate practices accordingly.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1 Principal Duties of the Board

The Board is accountable to shareholders of the Company ("Shareholders") and oversees the overall strategy of the Company and its subsidiaries (the "Group") as well as policies on various matters including major investments, key operational initiatives and financial controls. The Board has adopted a set of internal controls which lists out the approval limits for capital expenditure, investments and divestments and bank borrowings at Board level. Approval of sub-limits is also provided at management level to facilitate operational efficiency. In addition to the above, the Terms of Reference of the Board is established to promote high standards of corporate governance. The Terms of Reference of the Board outlines duties and responsibilities of the Board and matters that are specifically reserved for the Board. It is a reference document to assist the Board and management in clarifying responsibilities and ensuring effective communication between the Board and management.

The Board has also adopted a Code of Conduct and Ethics for Directors ("Code of Conduct") which serves to guide the Directors on the areas of ethical risk and sets a framework where integrity and accountability as well as ethical conduct expected from the Directors in the performance of their duties. Directors should strive to adhere to the Code of Conduct and where conflict of interest arises, the concerned Directors must recuse themselves from discussions and decisions involving the matter and abstain from voting on the matter.

Besides carrying out its statutory responsibilities, the Board's principal responsibilities include:

(a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(b) review management's performance (including the Group's financial and operating performance);

(c) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of Shareholders' interests and the Company's assets;

(d) identify the key stakeholder groups and recognize that their perceptions affect the Company's reputation;

(e) set the Company's values and standards (including ethical standards), and ensure that obligations to Shareholders and other stakeholders are understood and met;

(f) consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation; and

(g) assume responsibility for corporate governance.

The Board delegates the formulation of business policies and day-to-day management to the Executive Chairman and the Chief Executive Officer as well as the key management personnel to ensure operations and performance of the Group are aligned with the strategies.

Provision 1.2 Induction, Continuous Training and Development of the Directors

Newly appointed Directors are briefed on the Group's business activities, strategic direction, corporate governance and the regulatory environment in which the Group operates as well as relevant laws and regulations. The Company informs the Board from time to time of changes in relevant regulatory, governance and accounting standards requirements. The External Auditor will brief the Board on changes to the Singapore Financial Reporting Standards (International) that affect the Group's financial statements during the period. The Company's Sponsor will also update the Board regularly of the changes in relevant regulatory and governance requirements.

Directors are provided with opportunities for continuing education or briefings in areas such as Directors' duties and responsibilities, changes to regulations and accounting standards and industry-related matters, so as to be updated on matters that affect or may enhance their performance as Board or Board Committee members. In addition, Directors are invited from time to time to attend professional programmes for Directors conducted by the Singapore Institute of Directors ("SID") and other relevant bodies. The Company has an on-going training budget for the Directors to fund their participations at industry conferences and seminars, and their attendance at any training programme in connection with their duties as Directors. The Directors have attended appropriate training on the Code and relevant accounting standards. The Directors have also attended the prescribed sustainability training courses conducted by the relevant training providers as required under the enhanced sustainability reporting rules announced by the SGX-ST in December 2021.

Rule 406(3)(a) of the Catalist Rules requires a Director who has no prior experience as a director of a company listed on the SGX-ST to undergo Listed Entity Director training ("LED") programme organized by SID as prescribed under Practice Note 4D of the Catalist Rules. Appropriate training (where required) and orientation such as site visits to the Group's key premises and retail stores shall be arranged for newly appointed Directors to ensure they are fully aware of their responsibilities and obligations as Directors and familiarize themselves with the operations of the Group. There were no newly appointed Directors in FY2023.

Provision 1.3 Matters Requiring Board's Approval

The Board oversees the business affairs of the Group and sets overall strategy and direction. The Board has adopted internal guidelines governing matters that require the Board's approval. Matters specifically reserved for the Board's decision are:

(a) strategic plans of the Group;

(b) annual budgets;

(c) material acquisition and disposal of assets/ investments;

(d) corporate or financial restructuring and corporate exercises;

(e) share issuances, interim dividends and other returns to Shareholders; and

(f) announcements of the Group's financial results and annual reports.

Provision 1.4 Delegation of Authority to Board Committees

To assist the Board in the discharge of specific responsibilities, certain Board committees have been constituted, namely the Nominating Committee ("NC"), the Remuneration Committee ("RC") and the Audit Committee ("AC") (collectively, the "Board Committees"). Each Board Committee has its own Terms of Reference which sets out the compositions, as well as scope of duties and responsibilities. The Board Committees review and make recommendations on matters within their Terms of Reference to the Board.

The names of the Board Committee members, the Terms of Reference, any delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities are disclosed in this report.

At the date of this report, the compositions of the Board Committees are as follows:

Directors	Board Appointment	Nominating Committee	Remuneration Committee	Audit Committee
Mr Eli Manasseh (Nash) Benjamin	Executive Chairman	–	–	–
Mr Douglas Jackie Benjamin	Executive Director and Chief Executive Officer	–	–	–
Mr Ng Hin Lee	Lead Independent Director	Member	Member	Chairman
Mr Liew Choon Wei	Independent Director	Member	Chairman	Member
Mr Yee Kee Shian, Leon	Independent Director	Chairman	Member	Member

Mr Frank Benjamin has stepped down as Non-Executive Chairman and a member of Nominating Committee on 31 December 2022. He is appointed as Emeritus Chairman and Founder of the Company, and Advisor to the Board with effect from 1 January 2023.

Provision 1.5 Meetings of Board and Board Committees

The Board and AC meet regularly on a half yearly basis and as required, while NC and RC meet annually and as required. Important and critical matters concerning the Group are also tabled for the Board's and Board Committees' decision by way of written resolutions, electronic mails, tele-conferencing and video-conferencing. Ad-hoc Board meetings will be called as and when guidance and/or approvals from the Board is required.

The attendance of the Directors at these meetings and general meetings of the Company during the financial year is as follows:

	Board		Nominating Committee		Remuneration Committee		Audit Committee		Annual General Meeting
	No. of Meetings								
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Attended
Mr Frank Benjamin[1]	2	1	NA	NA	NA	NA	NA	NA	0
Mr Eli Manasseh (Nash) Benjamin	2	2	NA	NA	NA	NA	NA	NA	1
Mr Douglas Jackie Benjamin	2	2	NA	NA	NA	NA	NA	NA	1
Mr Ng Hin Lee	2	2	1	1	1	1	2	2	1
Mr Liew Choon Wei	2	2	1	1	1	1	2	2	1
Mr Yee Kee Shian, Leon	2	2	1	1	1	1	2	2	1

1 Mr Frank Benjamin has stepped down from the Board on 31 December 2022. He is appointed as Emeritus Chairman and Founder of the Company, and advisor to the Board on 1 January 2023.

To address the time commitments of Directors who sit on multiple boards, the Board and Board Committees meeting dates are scheduled in advance at the beginning of each financial year. The Constitution of the Company allows Directors to participate in meetings by telephone conference, video conference, audio visual or by means of similar communication whereby all persons participating in the meeting are able to hear and be heard without a Director being in the physical presence of other Director(s). Technology is effectively used in the Board and Board Committees meetings and in communication with the Board, where Directors may receive agenda and meeting materials online such as email and participation via audio or video conferencing.

Provision 1.6 Board's Access to Information

The Board members are provided with board papers a few days in advance of meetings so that sufficient time is given to the Board members for them to make informed decisions and enable them to discharge their duties and responsibilities effectively. The board papers set out the relevant financial information that review the Group's performance in the most recent half year and other information which includes background or explanatory information relating to the matters to be brought before the Board. The Directors make enquiries and request for additional information, if needed, during the presentation. Relevant management staff will be invited to make appropriate presentation, provide insights for matters to be discussed at the Board meetings and answer any queries from the Directors. Additional materials or information requested by the Directors (if any) are promptly furnished.

The Board also has access to minutes and documents concerning all Board and Board Committees meetings.

Provision 1.7 Board's Access to Management, Company Secretary and External Advisers

The Company provides for the Directors, individually or as a group, to have separate and independent access to management, the Sponsor and the Company Secretary, and to seek external independent professional advice, where necessary, at the expense of the Company.

The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole. The Company Secretary or his/her representative attends all meetings of the Board and Board Committees and is responsible for ensuring that Board procedures are followed and applicable rules and regulations are complied with.

Changes to regulations are closely monitored by the management and the Directors are briefed during the Board meetings on changes which have an important bearing on the Company or the Directors' disclosure obligations.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Provisions 2.1, 2.2 and 2.3 Director's Independence and Composition of Independent Directors and Non-Executive Directors

As at 30 June 2023 and the date of this report, the Board comprises five Directors, three of whom are Independent Directors (who are also Non-Executive Directors) and two Executive Directors. The Chairman of the Board, Mr Eli Manasseh (Nash) Benjamin is an Executive Director. The Board currently has three Non-Executive and Independent Directors; and they form a majority of the Board. The Independent Directors also make up the full AC, RC and NC. The Board believes that there is a strong and independent element on the Board as the Independent Directors represent more than half of the Board members and contribute to the Board process by monitoring and reviewing performance of the management to achieve the agreed goals and objectives. The Independent Directors constructively challenge management's proposals or decisions and bring independent judgement.

The NC conducts its annual review of the Directors' independence in accordance with the Code and adopts the Code's definition of what constitutes an "independent" Director in its review, as well as taking into consideration the Practice Guidance to the Code (the "Practice Guidance") and whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. The Independent Directors shall disclose to the Board any relationships or circumstances that could interfere or be reasonably perceived to interfere with their independent judgement in the best interests of the Company. Each Independent Director is required annually to complete and submit a declaration form to confirm their independence, drawn up based on the Code, the Practice Guidance and the Catalist Rules to the NC for review. The results of the self-assessment are then collated by the Company Secretary and reported to the Board. The Independent Directors have confirmed their independence in accordance with the Code, the Practice Guidance and the Catalist Rules.

The NC and the Board have reviewed and ascertained that all Independent Directors are independent according to the Code, the Practice Guidance and the Catalist Rules. None of the Independent Directors has any relationships with the Company, its related corporations, substantial Shareholders or officers that could interfere, or be reasonably perceived to interfere with the Directors' independent judgement. Independent Directors have abstained from deliberations in respect of the assessment of their own independence.

Mr Ng Hin Lee, who is an Independent Director, has served on the Board for more than nine years from 11 July 2023 since his first appointment. Mr Ng was subjected to mandatory two-tier voting pursuant to Rule 406(3)(d)(iii) of the Catalist Rules, at the Company's annual general meeting held on 27 October 2022 for him to continue in this office as an Independent Director of the Company from 11 July 2023. Approval from shareholders has been obtained for Mr Ng to remain as an Independent Director until his retirement or resignation as Director, or the conclusion of the third Annual General Meeting of the Company following the passing of the relevant resolution under the two-tier voting, whichever is earlier.

With effect from 11 January 2023, a new Rule 406(3)(d)(iv) of the Catalist Rules has been implemented which prescribed a nine years tenure limit for independent directors. Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, a director will not be considered independent if he has served an aggregate of more than nine years. However, such director can continue to be deemed independent during the current transition period until the conclusion of the Company's Annual General Meeting for the financial year ending 30 June 2024 ("FY2024").

In view of the above, Mr Ng can remain as an Independent Director until the Company's Annual General Meeting to be held in year 2024 or his retirement or resignation, whichever is earlier.

Provision 2.4 Size and Diversity of the Board

The Company's Board Diversity Policy upholds the principle that an effective Board is one constituted with the right core competencies, with an appropriate balance and mix of skills, experience, knowledge, among other aspects of diversity. A diverse board will have a broad range of views and perspectives which are essential to foster constructive discussions and promote effective decision-making. The NC reviews and assesses the size and composition of the Board and Board Committees, and recommends the appointment of new directors to the Board for approval. The diversity of the Directors' experience in business and industry skills and expertise, and other relevant aspects of diversity (such as age, gender, tenure, board independence and cultural ethnicity) allows for the useful exchange of ideas and views to avoid groupthink and foster constructive debate. The Board notes that gender diversity on the Board is also one of the recommendations under the Code to provide an appropriate balance of diversity. Although there is currently no female Director appointed to the Board, the Board has started to search and identify suitable female candidates to come on-board. The search has taken longer than anticipated but a few shortlisted candidates has been identified and the Board hopes to have a female Board member on board in FY2024. The NC reviews its targets for diversity from time to time and may recommend changes or additional targets to achieve greater diversity. In addition, the NC reviews the Company's Board Diversity Policy from time to time, as appropriate, to ensure its continued effectiveness and relevance, and any revisions, where necessary, will be recommended to the Board for approval.

The NC will review the size and composition of the Board and Board Committees annually to ensure that the Board and Board Committees have an appropriate level of independence and diversity of thought and background in their respective compositions to enable the Board and Board Committees to make decisions in the best interests of the Company. The NC and the Board, taking into account the nature of operations of the Group, consider the current size of the Board and Board Committees to be adequate for effective decision-making, and based on the current composition, the Board and Board Committees are able to exercise objective judgement on corporate affairs and provide sufficient diversity of expertise to lead and govern the Company effectively. The NC and the Board are satisfied that no individual member of the Board dominates the Board's decision-making and that there is sufficient accountability and capacity for independent decision-making.

The profile and information of the Directors as at the date of this report are set out under the "Board of Directors" section of this Annual Report.

Provision 2.5 Regular Meetings of Non-Executive Directors and Independent Directors

Where appropriate and necessary, the Independent Directors would meet without the presence of management. To facilitate a more effective check on the management, Independent Directors meet at least once a year with the internal and external auditors without the management and Executive Directors.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2 Chairman and Chief Executive Officer

The Chairman and the Chief Executive Officer ("CEO") functions are assumed by different individuals, thus ensuring an appropriate balance of power and authority.

The Chairman, Mr Eli Manasseh (Nash) Benjamin, is an Executive Director. Besides giving guidance on the corporate direction of the Group, his role as the Chairman includes the scheduling and chairing of Board meetings and the controlling of the quality, quantity and timeliness of information supplied to the Board and assists in ensuring compliance with the Company's corporate governance guidelines.

The CEO, Mr Douglas Jackie Benjamin, who is the nephew of Mr Eli Manasseh (Nash) Benjamin, is an Executive Director. As the CEO, he supervises the day-to-day business operations with the support of management, as well as formulates long-term corporate strategies and policies of the Group.

Provision 3.3 Lead Independent Director

The Code encourages the appointment of a Lead Independent Director to provide leadership in situations where Chairman is conflicted, and especially when the Chairman is not independent.

Mr Ng Hin Lee, who is an Independent Director, the Chairman of the AC, and a member of the NC and RC, has been appointed as the Lead Independent Director. He is available to Shareholders where their concerns raised through normal channels to the Chairman or management including the CEO or the Chief Financial Officer ("CFO") have failed to resolve or where such contact is inappropriate or inadequate.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2 Nominating Committee

The NC is chaired by Mr Yee Kee Shian, Leon and its members are Mr Liew Choon Wei and Mr Ng Hin Lee, all of whom are Independent Directors and the Lead Independent Director is a member of the NC.

In accordance with the Constitution of the Company and Rule 720(4) of the Catalist Rules, the Directors are required to submit themselves for re-election and re-nomination at regular intervals of at least once every three years.

Under its written Terms of Reference approved by the Board, the NC has the following main responsibilities:

(a) to review the Board and Board Committees' structure, size, composition and independence;

(b) to make recommendations to the Board on all Board appointments and re-appointments, including making recommendations on the composition of the Board and Board Committees;

(c) to develop the criteria for the selection of Directors and identify candidates for approval by the Board, to fill Board vacancies as and when they arise as well as put in place plans for succession;

(d) to review training and professional development programmes for the Directors;

(e) to determine independence of each Director;

(f) to determine whether a Director, who has multiple board representations, is able to and has been adequately carrying out his duties as a Director of the Company;

(g) the process and criteria for evaluation of the performance of the Board, Board Committees and Directors;

(h) to ensure there is clear division of responsibilities between the Chairman and the CEO of the Company; and

(i) to provide the Board with its succession plans for the Chairman, Directors, the CEO and key management personnel of the Company.

There are no alternate Directors on the Board.

Provision 4.3 Process for the Selection, Appointment and Re-appointment of Directors

The NC is responsible for the selection, appointment and re-appointment of Directors as follows:

(a) The NC carries out a review of the Board and Board Committees' composition at least annually as well as on each occasion that an existing Director gives notice of his/her intention to retire or resign.

(b) The NC identifies suitable candidates for appointment to the Board after considering the skills required in the Board to achieve the Group's strategic and operational objectives. Summary procedures on appointing a new Director is as follows:

Step 1 <Candidate identified>	Identified candidate on the recommendation of the existing Directors, senior management staff, network of contacts, third-party referrals and recruitment consultants to identify a broader range of candidates.
Step 2 <Assessment and evaluation to be conducted by the NC>	In accordance with the Company's Board Diversity Policy, assessment should be conducted based on, but not limited to experience, knowledge, gender, age, educational background, business interest that may result in a conflict of interest, independence of the candidate (for Independent Directors), skills and other criteria deem fit to the needs of the Board and whether the candidates will add diversity to the Board and have adequate time to discharge his/her duties.
Step 3 <Recommendation to be made by the NC to the Board>	• Board to consider and discuss on the proposed new appointment. • Appoint an independent third party to source and screen candidates, if necessary.
Step 4 <Discussion and decision to be made by the Board on the proposed new appointment. Appointment of new member to the Board is at the Board's sole discretion>	• If proposed appointment is approved, invitation or offer to be made to the proposed/potential candidate to join the Board and/or Board Committees. • If the proposed appointment is rejected, the whole process to be re-commenced.

(c) All Directors must submit themselves for re-appointment at regular intervals of at least once every three years. Article 102 of the Company's Constitution provides that at least one-third of the Directors shall retire from office by rotation and be subject to re-appointment at the Company's annual general meetings ("AGM"). Rule 720(4) of the Catalist Rules requires that all Directors submit themselves for re-nomination and re-appointment at least once every three years.

(d) The NC takes into consideration the Directors' contribution and performance in its deliberations on the re-appointment of existing Directors. The assessment parameters include attendance record, preparedness, intensity of participation and candour at meetings of the Board and Board Committees as well as the quality of intervention and special contribution.

The Directors standing for retirement by rotation at the forthcoming AGM are as follows:

- Mr Eli Manasseh (Nash) Benjamin (to remain as Executive Chairman) pursuant to Article 102 of the Company's Constitution; and

- Mr Liew Choon Wei (to remain as Independent Non-Executive Director, Chairman of the RC and a member of the AC and NC) pursuant to Rule 720(4) of the Catalist Rules.

Having considered the assessment conducted by the NC and its recommendation and consents received from the above retiring Directors for re-election at the forthcoming AGM, the Board accepts the nominations from the NC. The retiring Directors have abstained from deliberations in respect of the assessment of their own re-election.

For resolutions on the re-election of the retiring Directors at the forthcoming AGM, information on the retiring Directors as set out in Appendix 7F pursuant to Rule 720(5) of the Catalist Rules are provided under the "Information on Directors seeking for Re-election" section of this Annual Report.

Provision 4.4 Determining Directors' Independence

The NC had conducted an annual review of the independence of the Independent Directors as set out in Provisions 2.1, 2.2 and 2.3 above and had ascertained that they are independent in accordance with the Code, the Practice Guidance and the Catalist Rules.

Provisions 1.5 and 4.5 Directors' Multiple Board Representations

The Board believes that each Director should personally determine the demands of his competing directorships and obligations and assess how much time is available to serve on the Board effectively. Accordingly, the NC and the Board have reviewed and are satisfied with the time commitment of the Directors and have not made a determination of the maximum number of board representations a Director may hold. Notwithstanding that some of the Directors have multiple board representations, the NC and the Board are satisfied that each Director is able to and has been adequately carrying out his duties as a Director of the Company.

Information of each Director, including his directorships in other listed companies and other principal commitments, are furnished under the "Board of Directors" section of this Annual Report.

BOARD PERFOMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2 Board Evaluation Process and Performance Criteria

The NC evaluates and assesses the effectiveness of the Board as a whole, and of each Board Committee, as well as the contribution by the Chairman to the effectiveness of the Board, taking into consideration appropriate performance criteria. Such evaluation and assessment is done on an annual basis, by way of an evaluation questionnaire implemented by the Company. The performance criteria is recommended by the NC and approved by the Board.

The evaluation of the Board's performance as a whole deals with matters on Board composition, procedures and accountability as well as information available to the Board. The evaluation of the Board also covers the Board's contribution to the testing and development of strategy, ensuring effective risk management, as well as the Board's response to problems and crisis, etc. The Board Committees' evaluation deals with the efficiency and effectiveness of each Board Committee in assisting the Board as set out in their respective Terms of Reference. The criteria for the evaluation of the Chairman include, amongst others, leadership of the Chairman, as well as Chairman's duties and know-how.

All Directors are given an evaluation questionnaire to express their view. The completed questionnaires are submitted to the Company Secretary for collation. The findings of such evaluations are presented to the NC for review as well as to make the necessary recommendations on areas for continuous improvement before submitting to the Board for discussion and to form the basis of recommending relevant retiring Directors for re-election at the AGMs.

During FY2023, the NC met once on 19 June 2023 and assessed the performance and effectiveness of the Board as a whole, the Board Committees, as well as the contribution by the Chairman to the effectiveness of the Board. The NC and the Board were satisfied that the Board as a whole and the Board Committees were effective and their performance were satisfactory, and that the Chairman had demonstrated commitment and had contributed to the effective functioning of the Board and the relevant Board Committees.

The Code also recommends that the NC evaluates the contribution by each individual Director to the effectiveness of the Board. The Board, together with the NC, have taken cognizance of the recommendations under the Code, but are of the view that given the background, experience and expertise of each Director, it would not be necessary to evaluate each individual Director as it is more appropriate and effective to assess the overall effectiveness of the Board as a whole, and of each Board Committee, bearing in mind that each Director contributes in different ways to the success of the Company and Board decisions are made collectively. In addition, the factors taken into consideration for each Director's re-appointment include, amongst others, attendance, participation and contribution at Board and Board Committee meetings, Directors' duties and know-how and interaction with fellow Directors.

The Board did not engage an external facilitator for the assessment process for FY2023.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2 Remuneration Committee

The RC is chaired by Mr Liew Choon Wei and its members are Mr Ng Hin Lee and Mr Yee Kee Shian, Leon, all of whom are Independent Directors.

Under its written Terms of Reference approved by the Board, the RC has the following main responsibilities:

(a) to ensure that remuneration policies and systems that support the Company's objectives and strategies are in place and being adhered to;

(b) to co-ordinate annual reviews of the Company's remuneration policies and practices to ensure they are comparable with the pay and employment conditions within the industry and in similar companies;

(c) to recommend the remuneration of Executive Directors and key management personnel, covering all aspects of remuneration, which include salaries, allowances, bonuses, options and benefits-in-kind, to the Board for endorsement in accordance with the approved remuneration policies and processes;

(d) to provide advice as necessary to management on remuneration policy for employee categories other than those covered in paragraph (c) above;

(e) to review the remuneration, terms of employment and promotion of all employees of the Group who are related to any of the Directors; and

(f) to recommend the Directors' fees of Non-Executive Directors (including the Independent Directors) to the Board. Directors' fees are only paid to Non-Executive Directors and are approved by Shareholders at the AGMs.

Provision 6.3 Review of Remuneration

The RC reviews and recommends to the Board the framework of remuneration of key management personnel and Directors serving on the Board and Board Committees. The review of specific remuneration packages includes fees, salaries, bonuses and incentives. No Director is involved in deciding and voting on his own compensation.

The RC also reviews the Directors' fees of Non-Executive Directors (including the Independent Directors) and submits its recommendation to the Board for discussion. The Board recommends the Directors' fees for approval by Shareholders at the AGM.

In setting the remuneration framework, the RC has considered all aspects of remuneration, including termination clauses, and aims to be fair, reasonable and not overly generous.

In discharging its functions, the RC may obtain independent external legal and other professional advice as it deems necessary, at the expense of the Company.

Provision 6.4 Engagement of Remuneration Consultants

The RC shall seek expert advice in the field of executive compensation outside the Company on remuneration matters when necessary. During FY2023, the RC did not engage the service of any external remuneration consultants.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provisions 7.1, 7.2 and 7.3 Remuneration of Directors and Key Management Personnel

The RC adopts a transparent procedure for fixing the compensation packages of individual Executive Directors and key management personnel. The Company sets remuneration packages to ensure they are appropriate to attract, retain and motivate the Executive Directors and key management personnel to successfully manage the Company for the long term.

The RC assists the Board in ensuring that the Executive Directors and key management personnel of the Group are fairly remunerated for their performance and individual contribution to the overall performance of the Group, taking into account the performances of the Group and the individual Directors and key management personnel respectively. The performance-related elements of compensation are designed to align the interests of the Executive Directors with those of the Shareholders and are determined using appropriate and meaningful measures to assess the performance of the Executive Directors.

The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The remuneration package of the Executive Directors and key management personnel comprises a fixed component and a variable component. The fixed component is in the form of a basic salary while the variable component is in the form of a performance bonus which is linked to the Group and individual performance.

The RC also reviews remuneration of Non-Executive Directors (including Independent Directors) to ensure that the remuneration commensurate with the efforts, time spent and responsibilities of these Directors. The Non-Executive Directors (including Independent Directors) are remunerated based on basic fees for serving on the Board and Board Committees. Directors' fees are recommended by the Board for approval by Shareholders as a lump sum payment at the AGM.

DISCLOSURE ON REMUNERATION

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions 8.1, 8.2 and 8.3 Remuneration Report

The Board is of the view that disclosure of the remuneration details of each Director and key management personnel of the Group as recommended by the Code will reveal commercially-sensitive information to competitors. Given the highly competitive talent market in the niche industry, it is in the best interests of the Group that specific details of the remuneration of each Director and key management personnel of the Group be kept confidential and to be disclosed in salary bands instead. After taking into account the aforesaid reasons, the Board is of the view that the current disclosure of the remuneration presented herein in this report is sufficient to provide Shareholders with information on the Group's remuneration policies, as well as the level and mix of remuneration. Accordingly, the Board is of the view that the Company complies with Principle 8 of the Code.

The following table tabulates the composition of the Directors' compensation:

Remuneration Band and Name of Director	Directors' Fee	Basic Salary*	Variable Performance Bonus	Benefit-in-Kind and Others	Total
Executive Directors					
S$500,000 to S$599,999					
Mr Eli Manasseh (Nash) Benjamin	–	98%	–	2%	100%
Mr Douglas Jackie Benjamin	–	95%	–	5%	100%
Non-Executive Directors					
Below S$100,000					
Mr Frank Benjamin#	100%	–	–	–	100%
Mr Ng Hin Lee	100%	–	–	–	100%
Mr Liew Choon Wei	100%	–	–	–	100%
Mr Yee Kee Shian, Leon	100%	–	–	–	100%

* Basic salary includes employer's CPF contribution.

\# Mr Frank Benjamin has stepped down from the Board on 31 December 2022. He is appointed as Emeritus Chairman and Founder of the Company, and advisor to the Board on 1 January 2023.

Total amount paid as Directors' fees for FY2023 was S$180,000, which was approved by Shareholders at the last AGM.

The key management personnel of the Group who are not Directors and CEO of the Company are as follows:

No. of executives: 2
Total remuneration: S$716,500

The following table indicates the composition (in percentage terms) of the annual remuneration of key management personnel of the Group who are not Directors and CEO of the Company.

Name of key management personnel of the Group who are not Directors and CEO of the Company**	Basic Salary*	Variable Performance Bonus	Benefit-in-Kind and Others	Total
S$300,000 to S$499,999				
Ms Karen Chong	95%	–	5%	100%
Ms Goretta Yeoh	77%	17%	6%	100%

* Basic salary includes employer's CPF contribution.

** The Group has only two key management personnel who are not Directors and CEO of the Company during FY2023.

There were no termination, retirement and post-employment benefits granted to Directors, the CEO and the key management personnel of the Group.

The following table indicates the composition (in percentage terms) of the annual remuneration of employees who are substantial Shareholders of the Company or immediate family members of a Director, the CEO or a substantial Shareholder of the Company.

Relationship	Basic Salary*	Variable Performance Bonus	Director's Fee	Benefit-in-Kind and Others	Total
Below S$100,000					
Ms Mavis Benjamin	98%	–	–	2%	100%
– Mother of Mr Douglas Jackie Benjamin, who is an Executive Director of the Company and Chief Executive Officer of the Group					

* Basic salary includes employer's CPF contribution.

Other than the above with remuneration below S$100,000, the Group did not have any employees with remuneration exceeding S$100,000, who is a substantial Shareholder of the Company or is an immediate family member of a Director, the CEO or a substantial Shareholder of the Company.

Provision 8.3 Employee Share Scheme

The Company does not have any employee share schemes.

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 Risk Management and Internal Control System

The Board, with the assistance from the AC, is responsible for the governance of risk by ensuring that the management maintains a sound system of risk management and internal controls to safeguard Shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Group has established and implemented a risk management framework for the identification, assessment, monitoring and reporting of significant risks. The Board oversees the management in the formulation, update and maintenance of an adequate and effective risk management framework, while the AC reviews the adequacy and effectiveness of the risk management and internal control systems, including financial, operational, compliance and information technology controls, on an annual basis.

The Group maintains a risk register which identifies the material risks faced by the Group and the internal controls in place to manage or mitigate those risks. The risk register is updated by the business and corporate executive heads in the Group, and the AC reviews the risk register on a half yearly basis. The internal audit function of the Company takes into consideration the risks identified and assessed in the register and prepares the audit plan, which is approved by the AC. The internal audit function reports all audit findings and recommendations to the AC on a half yearly basis and follows up on all recommendations to ensure timely remediation of audit issues.

While no system can provide absolute assurance against material loss or financial misstatement, the Group's internal controls are designed to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained and financial information used within the business and for publication is reliable. In designing the internal controls, the Board has had regard to the risks which the Group's business is exposed to and the costs of protecting against such risks.

Provision 9.2 Assurance to the Board

For FY2023, the Board has received assurance from:

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

(b) the CEO and the key management personnel of the Group that the system of risk management and internal controls in place within the Group is adequate and effective.

Based on the internal controls established and maintained by the Group, work performed by the Internal Auditor, External Auditor's report on their financial audit, reviews performed by management, various Board Committees and the Board, as well as the aforesaid assurance received from the CEO, the CFO and the key management personnel of the Group, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective as at 30 June 2023.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provisions 10.1, 10.2 and 10.3 Roles, Responsibilities and Authorities of AC and Membership

The AC comprises Mr Ng Hin Lee (AC Chairman), Mr Liew Choon Wei and Mr Yee Kee Shian, Leon, all of whom are Independent Directors. The members of the AC have relevant accounting and/or financial management expertise or experience, and in particular, Mr Ng Hin Lee and Mr Liew Choon Wei have experience in the audit and accounting industry.

The Board ensures that the members of the AC are appropriately qualified to discharge their responsibilities, with the members, including the AC Chairman, having accounting or related financial management expertise and experience. The members of the AC keep abreast of relevant changes to accounting standards and issues which have a direct impact on the Group's financial statements, through regular updates from the External Auditor and/or other professionals. None of the AC members is a former partner or director of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Under its written Terms of Reference approved by the Board, the AC has the following main responsibilities:

(a) to review the financial and other information to be presented to Shareholders, the systems of internal controls and risk management, and the audit process;

(b) to review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance;

(c) to maintain an appropriate relationship with the Company's External and Internal Auditors, and to review the scope, results, effectiveness, independence and objectivity of the audit process;

(d) to review and evaluate the adequacy of the system of internal controls, including accounting controls, taking input from external audit, internal audit, risk management and compliance functions;

(e) to review the audit plan and audit report with the External Auditor;

(f) to review and approve the scope of the internal audit plan with the Internal Auditor;

(g) to review the half year and annual financial statements, including announcements to Shareholders and the SGX-ST prior to submission to the Board;

(h) to review and approve interested person transactions to ensure that these transactions are carried out at arm's length and on normal commercial terms and in the best interest of the Company and its minority shareholders;

(i) to review the independence of the External Auditor and to make recommendations to the Board regarding the nomination of the External Auditor for appointment, re-appointment and removal, and the remuneration and terms of engagement of the External Auditor; and

(j) to review the assurance from the CEO and the CFO on the financial records.

The AC has explicit authority to investigate any matter within its Terms of Reference. The AC has full access to, and the co-operation of the management, as well as the External and Internal Auditors respectively. The AC also has full discretion to invite any Director or any member of management to attend its meetings.

The AC also reviewed the adequacy of the whistle-blowing policy instituted by the Company through which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The objective of such policy is to ensure that arrangements are in place for independent investigation of such matters and for appropriate follow-up actions. The AC confirms that no reports have been received under the policy in FY2023.

The Group has complied with Rule 712 and Rule 716 of the Catalist Rules in relation to its engagement of auditors. In accordance with Rule 716(1) of the Catalist Rules, the Board and the AC confirm that they are satisfied that the appointment of a different auditing firm for a 51%-owned Singapore-incorporated subsidiary of the Company, which is not a significant subsidiary of the Group, would not compromise the standard and effectiveness of the audit of the Company and the Group.

Fees of S$320,000 were paid to the External Auditor of the Group during the year for audit and non-audit services. Of this, fees for non-audit services amounted to S$88,000. The AC, having reviewed the non-audit services provided to the Group and the Company by the External Auditor, Ernst & Young LLP ("EY"), is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the External Auditor.

In reviewing the re-appointment of EY as the Company's independent External Auditor for the ensuing year, the Board and the AC have considered and are satisfied with the adequacy of the resources and experience of EY and the audit partner-in-charge assigned to the audit (taking into account the Audit Quality Indicators relating to EY), the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit. EY has also confirmed its independence and that it is registered with ACRA and approved under the Accountants Act 2004 of Singapore. The audit partner-in-charge assigned to the audit is a public accountant under the Accountants Act 2004 of Singapore.

On the basis of the above, the AC and the Board are pleased to recommend the re-appointment of EY as the independent External Auditor of the Company for the ensuing year for Shareholders' approval at the forthcoming AGM.

Provision 10.4 Internal Audit

The Company has an internal audit function that is independent of the activities it audits. The Internal Auditor reports directly to the Chairman of the AC on audit matters, and the CEO on administrative matters. The AC approves the hiring, removal and evaluation of the Internal Auditor. The Company's internal audit function is performed in-house. The Internal Auditor has more than 20 years of working experience as an auditor in industries ranging from retailing of luxury products and mass-market retailing to hospitality, after graduating with a Bachelor of Science Degree in Business Administration. His responsibilities include the review of the effectiveness of the Group's material internal controls, including financial, operational, compliance and information technology controls and risk management. The Internal Auditor has unfettered access to all the Company's documents, records, properties and personnel, including the AC.

The AC reviews annually the independence, adequacy and effectiveness of the internal audit function of the Company and is satisfied that the internal audit function is independent, effective, has adequate resources and appropriate standing within the Group, and meets the standards set by the Institute of Internal Auditors.

<u>Provision 10.5 Meeting with External and Internal Auditors without Presence of Management</u>

In FY2023, a total of two AC meetings were held. The AC also held one meeting with the External Auditor and the Internal Auditor without the presence of the management, to discuss the reasonableness of the financial reporting process, the system of internal controls, and the significant comments and recommendations by the auditors.

In the review of the financial statements, the AC reviewed the Key Audit Matters and concurred with the External Auditor and management on their assessment, judgements and estimates on the significant matters reported by the External Auditor as set out under the Independent Auditor's Report section of this Annual Report.

WHISTLE-BLOWING POLICY

The Company has in place a whistle-blowing policy by which staff of the Company and other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting, malpractices, fraudulent activities or other matters within the Group to the Internal Auditor and AC Chairman. The objective of such policy is to encourage and provide channel for staff to report in good faith and without fear of reprisals. It has well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action to be taken.

Details of the whistle-blowing policy and reporting procedures have been made available to all employees.

The public, customers or other stakeholders can report possible irregularities or provide feedback through the Company's website at www.fjbenjamin.com. The Internal Auditor reviews the correspondence received and escalates to the CEO or AC Chairman/Lead Independent Director on any instances of potential irregularities. Independent investigations will be conducted on whistle-blowing reports made in good faith and follow up actions taken, if warranted. The AC is responsible for oversight and monitoring of whistle-blowing.

The Group will take all reasonable steps to protect the identity of the whistle-blower so as to ensure that the identity of the whistle-blower is kept confidential – subject to legal or regulatory requirements. All information disclosed during the course of investigation will remain confidential, except as necessary or appropriate to conduct the investigation and to take any remedial action, in accordance with any applicable laws and regulations. The Group prohibits any detrimental or unfair treatment, such as discrimination, retaliation or harassment of any kind, against a whistle-blower who submits a complaint or report in good faith.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

<u>Provisions 11.1, 11.2, 11.3 and 11.4 Conduct of General Meetings</u>

The Board aims to provide timely release of financial information and general meeting notice and circulars to enable Shareholders to prepare and participate effectively and vote at general meetings. To encourage participation of Shareholders, the Company strives to hold general meetings at venues which are accessible to Shareholders.

The general meetings, particularly AGMs, represent the primary platform for interaction between the Shareholders, the Board and management. In fostering effective participation of and engagement with Shareholders at the general meetings, all Directors and External Auditor are present in person to engage directly with the Shareholders and address Shareholders' queries about the conduct of audit and the preparation, content of the auditor's report, businesses and matters related to the agenda. The attendance of Directors for the AGM held on 27 October 2022 is set out under Provision 1.5 of this report.

At the general meetings, Shareholders are given the opportunity to voice their views and direct questions regarding the Group and its businesses to the Board. To encourage greater Shareholders' participation, the Company's Constitution permits a member to appoint up to two proxies to attend and vote on his or her behalf. The Company's Constitution also provides that a proxy need not be a member of the Company. Relevant intermediaries are entitled to appoint more than two proxies to attend and vote at the general meetings.

Separate resolutions are proposed as individual agenda items unless the resolutions are interdependent and linked so as to form one significant proposal. For resolutions that are inter-conditional or special business, explanations will be provided to the Shareholders.

Voting at the general meetings will be by way of poll. Members are briefed on the procedures of voting at the general meetings by independent polling agent. Announcement on the poll results (showing the number of votes cast for and against each resolution and the respective percentages) will be released after the general meetings via SGXNet.

Voting in absentia by mail, email or fax is currently not permitted to ensure proper authentication of the identity of the Shareholders and their voting intentions.

The AGMs in respect of FY2022 and FY2023, was and will be convened and held in the physical face-to-face format. The AGM's results of the poll votes on each resolution tabled (including the total number of votes cast for or against each resolution) were and will be announced at the AGMs and via SGXNet thereafter.

Provision 11.5 Minutes of General Meetings

In line with the regulations of the SGX-ST, the Company publishes minutes of AGM on the Company's corporate website and SGXNet within one month from the date of the AGM.

Provision 11.6 Dividend Policy

The Company does not have a fixed dividend policy. The Board aims to declare and pay annual dividend. In considering the level of dividend payments, the Board takes into account various factors including level of available cash, return on equity and retained earnings and projected level of capital expenditure and other investment plans.

Any declaration of dividend is clearly communicated to Shareholders via SGXNet together with the announcement of financial statements. The Company did not declare or recommend any dividend for FY2023 in view of the minimal profit made by the Company in this financial year.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The Company communicates regularly with its shareholders and facilitate the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provisions 12.1, 12.2 and 12.3 Communication with Shareholders

The Company endeavours to provide material information to its Shareholders in a timely and adequate manner. When inadvertent disclosure has been made to a selected group of people, the Company will make the same disclosure publicly via SGXNet as soon as practicable. In addition, the Company communicates with Shareholders at least once annually at the AGM with its Shareholders.

Information is communicated to Shareholders and investors on a timely basis through:

(a) annual reports and notice of general meetings issued to all Shareholders;

(b) half year and full year announcements of financial results and other announcements or press releases via SGXNet; and

(c) the Company's corporate website.

The Company's corporate website is www.fjbenjamin.com at which Shareholders can access information of the Group. It provides Shareholders and investors with access to all publicly-disclosed information, annual reports, new public releases and announcements. In addition, it has an Investor Relations section on its website for Shareholders to express their views.

The Company has engaged Catherine Ong Associates to address any queries that the investors, analysts, press or public might have on the Company's affairs. The investor relations team can be reached at cath@catherineong.com.

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH SHAREHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Provisions 13.1, 13.2 and 13.3 Engagement with Stakeholders

The Company has arrangements in place to identify and engage its material stakeholder groups and to manage relationships with the groups. The key stakeholders that the Company has identified are shareholders, employees, customers, suppliers, and government and regulatory bodies. The Company engages its stakeholders through various channels to ensure the best interest of the Group and the needs and interest of material stakeholders are aligned.

The sustainability report is prepared in accordance with Sustainability Reporting Guide of Practice Note 7F of the Catalist Rules, and with reference to Global Reporting Initiative ("GRI") Standards: 'Core' option and has aligned its climate-related disclosures with the recommendations by the Task Force on Climate-related Financial Disclosure ("TCFD"). Please refer to "Sustainability Report" section of this Annual Report for further details.

OTHER CORPORATE GOVERNANCE MATTERS

Dealing in Securities (Catalist Rule 1204(19))

The Company has adopted the Best Practices Guide with respect to dealings in securities. All employees of the Group who may be in possession of unpublished and/or material price-sensitive information are prohibited from dealing in securities of the Company during the period commencing one month before the announcement of the Company's half year and full year financial results and ending on the date of the announcement of the results, in accordance with the guidelines set out in the Best Practices Guide.

Officers are also prohibited to deal in securities of the Company on short-term consideration.

Material Contracts (Catalist Rule 1204(8))

Save for the service agreements entered into between the Company and each of the Executive Directors, there were no material contracts (including loans) entered into by the Company and its subsidiaries involving the interests of the CEO or any Director or controlling Shareholder which are either still subsisting as at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

Interested Person Transactions (Catalist Rule 907)

Transactions with the Company's interested persons (a term that is defined in the Catalist Rules) are subject to review and approval by the Board comprising those Directors who do not have an interest in the transaction. Where required by the Catalist Rules, the AC reviews the transaction to determine that it is on normal commercial terms and hence, not prejudicial to the interests of the Company and its minority shareholders, before making recommendations to the Board for endorsement. For FY2023, there were no interested person transactions entered into by the Group that requires disclosure pursuant to the Catalist Rules.

Sponsorship

The continuing sponsor of the Company is ZICO Capital Pte. Ltd. (the "Sponsor"). There were no non-sponsor fees payable or paid to the Sponsor for FY2023.

Use of Proceeds from Rights Issue, Exercise of Warrants and Share Placement

On 5 April 2018 and 6 April 2018, the Company allotted and issued 341,225,914 new ordinary shares ("Rights Shares") with 682,451,828 free detachable warrants ("Warrants") under the Rights cum Warrants Issue (details as set out in the Company's circular to its Shareholders dated 15 February 2018 and offer information statement dated 12 March 2018 ("Offer Information Statement")). The total gross proceeds raised from the allotment and issuance of the Rights Shares under the Rights cum Warrants Issue, after accounting for the conversion into the Right Shares of certain loans owing by the Group to certain Shareholders (the "Conversion"), amounted to approximately S$8,118,000.

As set out in the Company's announcements dated 17 May 2021 and 30 December 2021, on the expiry of the Warrants on 5 April 2021, a total of 157,378,132 Warrants had been exercised at the exercise price of S$0.04. Accordingly, the Company raised aggregate gross proceeds of approximately S$6,295,000. Following a review of the Group's current operating environment, and taking into consideration the on-going COVID-19 pandemic and safe distancing measures which impacted the businesses of the Group, the Board had reallocated an aggregate of S$1,648,000 of the net proceeds from the exercise of Warrants, which was originally allocated for the expansion of the Group's business activities when the Rights cum Warrants Issue took place three years ago (pre-COVID-19) to general working capital purposes (the "Reallocation").

On 4 February 2022, the Company allotted and issued 120,000,000 new ordinary shares at an issue price of S$0.025 per share pursuant to a placement exercise ("Share Placement"). The total gross proceeds raised from the Share Placement amounted to S$3,000,000. Please refer to the Company's circular to its Shareholders dated 13 January 2022 ("Circular") for further details on the Share Placement.

The use of proceeds from the Rights cum Warrants issue and the Share Placement as at 30 June 2023 are as follows:

Rights issue

		Amount S$'000
	Total net proceeds available:	
	Gross proceeds received from allotment and issuance of the Rights Shares, after accounting for Conversion	8,118
	Share issuance expenses	(435)
	Net proceeds available	7,683
	Use of proceeds:	
(i)	General working capital	
	Allocation as disclosed in the Offer Information Statement	3,842
	Total amount utilised – repayment of trade invoices financed by banks and trade suppliers' invoices	(3,842)
	Balance	–
(ii)	Expansion of the Group's business activities	
	Allocation as disclosed in the Offer Information Statement	3,841
	Total amount utilised	(841)
	Balance	3,000

Warrants

		Amount S$'000
	Total net proceeds available:	
	Gross proceeds from exercise of Warrants	6,295
	Share issuance expenses	(21)
	Net proceeds available	6,274
	Use of proceeds:	
(i)	General working capital	
	Allocation as disclosed in the Offer Information Statement	3,137
	Reallocation	1,648
	Amount based on Reallocation basis	4,785
	Total amount utilised	(4,785)[1]
	Balance	–
(ii)	Expansion of the Group's business activities	
	Allocation as disclosed in the Offer Information Statement	3,137
	Reallocation	(1,648)
	Amount based on Reallocation basis	1,489
	Total amount utilised	(1,481)
	Balance	8

Note:
(1) Net proceeds used for general working capital comprising (a) S$2,380,000 for repayment of trade invoices financed by banks and trade suppliers' invoices; and (b) S$2,405,000 for repayment of non-trade creditors, which consisted of rental, freight costs and other operating expenses.

Share Placement

	Amount S$'000
Total net proceeds available:	
Gross proceeds from Share Placement	3,000
Share issuance expenses	(59)
Net proceeds available	2,941
Use of proceeds:	
General working capital	
Allocation as disclosed in the Circular	2,941
Total amount utilised	(2,602)[2]
Balance	339

Note:
(2) Net proceeds used for general working capital comprising (a) S$1,767,000 for repayment of rental and other operating expenses; and (b) S$703,000 for repayment of short-term loan; and (c) S$132,000 for purchase of inventory.

Save as disclosed above on the Reallocation, the use of net proceeds from the Rights cum Warrants Issue is in accordance with the intended uses and percentage allocations as disclosed in the Offer Information Statement. The use of net proceeds from the Share Placement is in accordance with the intended uses and percentage allocations as disclosed in the Circular.

The Company will continue to make periodic announcements on the utilisation of the balance of the net proceeds from the Rights cum Warrants Issue and the Share Placement as and when such net proceeds are materially disbursed or utilised, and whether such use is in accordance with the stated use and in accordance with the percentage allocated.

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DIRECTORS' STATEMENT

The Directors present their statement to the members together with the audited consolidated financial statements of F J Benjamin Holdings Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 30 June 2023.

OPINION OF THE DIRECTORS

In the opinion of the Directors,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

(ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

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

Mr Eli Manasseh Benjamin	–	Executive Chairman
Mr Douglas Jackie Benjamin	–	Executive Director and Chief Executive Officer
Mr Ng Hin Lee	–	Independent Director
Mr Liew Choon Wei	–	Independent Director
Mr Yee Kee Shian, Leon	–	Independent Director

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

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

DIRECTORS' INTEREST IN SHARES AND DEBENTURES

The following Directors, who held office at the end of the financial year, had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in the shares of the Company as stated below:

	Holdings registered in the name of Director or nominee		Holdings in which a Director is deemed to have an interest	
Name of Director	**At the beginning of financial year**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Mr Eli Manasseh Benjamin	31,710,050	31,710,050	–	–
Mr Douglas Jackie Benjamin	168,000	168,000	10,000	10,000

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2023.

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

OPTIONS

There were no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries during the financial year.

AUDIT COMMITTEE

The audit committee ("AC") carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act 1967, including the following:

- reviewed the financial and other information to be presented to shareholders, the system of internal control and risk management, and the audit process;
- reviewed the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance;
- maintain an appropriate relationship with the Company's External and Internal Auditors, and to review the scope, results, effectiveness, independence and objectivity of the audit process;
- reviewed and evaluated the adequacy of the system of internal control, including accounting controls, taking input from external audit, internal audit, risk management and compliance functions;
- reviewed the audit plan and audit report with the External Auditor;
- reviewed the scope of the internal audit plan with the Internal Auditor and approved it;
- reviewed the half year and annual financial statements, including announcements to shareholders and the Singapore Exchange Securities Trading Limited ("SGX-ST") prior to submission to the Board;
- reviewed and approved interested person transactions to ensure that these transactions are carried out at arm's length and on normal commercial terms and in the best interest of the Company and its minority shareholders;
- reviewed the independence of the External Auditor and to make recommendations to the Board regarding the nomination of the External Auditor for appointment, re-appointment and removal; and to fix the remuneration and terms of engagement of the External Auditor; and
- reviewed the assurance from the CEO and CFO on the financial records.

The AC having reviewed all non-audit services provided by the External Auditor to the Group is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the auditor. The AC has also conducted a review of interested person transactions.

The AC convened two meetings during the financial year. The AC has also met with the Internal and External Auditors, without the presence of the Company's management, at least once a year.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

DIRECTORS' STATEMENT

AUDITOR

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

On behalf of the Board of Directors

Eli Manasseh Benjamin
Director

Douglas Jackie Benjamin
Director

Singapore

28 September 2023

For the financial year ended 30 June 2023
To the Members of F J Benjamin Holdings Ltd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of F J Benjamin Holdings Ltd (the "Company") and its subsidiaries (the "Group"), which comprise the balance sheets of the Group and the Company as at 30 June 2023, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement 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 balance sheet 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 30 June 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 the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters (continued)

Assessment of carrying value of associates

The carrying value of the Group's investment in associates and accumulated impairment loss amounted to $16.6 million and $5.7 million respectively as at 30 June 2023. The carrying value of the Group's investment in associates represent 41% of the total net assets of the Group. As at 30 June 2023, management was required to assess if there was any indicators of impairment or triggers of reversal of impairment and have accordingly, assessed the recoverable amount of the investment in associates. The recoverable amount of the investment in associates was determined based on value-in-use calculations approved by management. We have identified this as a key audit matter as the recoverable amount calculation involves significant judgement and estimates that are affected by future market and economic conditions.

Our audit procedures included, amongst others, reviewing management's identification of indicators of impairment or triggers of reversal of impairment in associates. We assessed the valuation methodology and the reasonableness of key assumptions used to estimate the recoverable amount of the investment. The key assumptions used includes revenue growth, budgeted gross margin, discount rate and the long-term growth rate. We assessed the reasonableness of the revenue growth rates and budgeted gross margin by comparing them to available external industry data and financial results available subsequent to year end, taking into consideration market conditions prevailing at the reporting date as well as past financial performance. We involved our internal specialist to assess the reasonableness of discount rates and long-term growth rates used by checking the discount rate to comparable companies in the same industry and comparing the long-term growth rate to external economic data such as economic growth and inflation rate. We also assessed the adequacy of the disclosures on the investment in associates in Note 15 to the financial statements.

Recoverability of receivables from associate and related party of associate

As at 30 June 2023, the Group's trade and other debtors amounted to $9.9 million and $11.8 million respectively, which were mainly due from its associate and related party of associate. The expected credit loss allowances ("ECL") on trade and other debtors amounted to $0.1 million and $3.1 million respectively as at 30 June 2023. The determination as to whether the debt is collectable as well as the amount of expected credit losses to be recognised involves significant management judgement. In estimating the ECL, management has considered various factors such as past due balances, recent historical payment patterns, debtors' financial ability to repay, existence of disputes, current economic environment and forecast of future macro-economic conditions where the debtors operate, and any other available information concerning the creditworthiness of debtors. Given the high level of management judgement involved and the materiality of the amounts involved, we have focused our attention on this area.

We evaluated the Group's processes and controls relating to the monitoring of the outstanding debts due. Our audit procedures included, among others, requesting receivables confirmations and obtaining evidence of receipts from debtors subsequent to the year end. For other debtors, we reviewed management's determination of whether there was a significant increase in the credit risk of the other receivables since initial recognition. We also evaluated management's assessment of the recoverability of the debts through reviewing debtor aging report to identify collection risk, reviewing historical payment patterns and correspondences with customers on expected settlement dates. In addition, we reviewed the reasonableness of the key data sources and assumptions used in the computation of loss rate and forward looking adjustment, taking into consideration the current market conditions.

We also assessed the adequacy of the disclosures on the trade debtors, other debtors and the related risks such as credit risk and liquidity risk in Notes 3.2(c), 17, 18, 27(a) and 27(c) to the financial statements.

Key audit matters (continued)

Impairment assessment of furniture, fixtures and equipment ("FFE"), right-of-use assets ("ROUA") and investment in subsidiaries

The Group operates numerous retail stores primarily in Singapore and Malaysia through its subsidiaries. As at 30 June 2023, the carrying amount of the Group's FFE and ROUA is $2.8 million and $12.1 million respectively. Investment in subsidiaries amounted to $37.1 million as at 30 June 2023. The impairment losses recognised for the year are disclosed in Note 12, Note 13 and Note 14 respectively. Management's impairment assessment of these assets using value-in-use and fair value less cost of disposal calculations was significant to the audit due to the magnitude of the carrying amount of assets, heightened level of estimation uncertainty associated with current market and economic conditions, and the fact that it involved significant management judgement. Hence, we consider this to be a key audit matter.

Our audit procedures included, amongst others, reviewing management's identification of impairment indicators. In evaluating management's estimation of the recoverable amount, we tested management's key assumptions underlying the value-in-use calculation. The key assumptions include projections of revenue growth rate, gross profit margin, discount rates and long-term growth rate. We assessed the revenue growth rates and gross profit margin by comparing them to recent performance of the stores and available external industry data prevailing at reporting date, taking into consideration current economic environment. We involved our internal specialist to assess the reasonableness of discount rates and long-term growth rates used by checking the discount rate to comparable companies in the same industry and comparing the long-term growth rate to external economic data such as economic growth and inflation rate. Where applicable, we also reviewed the fair value less costs of disposal of the individual right-of-use assets based on observable comparable rental rates and the necessary costs of disposal. We corroborated the fair value of right-of-use assets to recent market transacted rental rates. We also assessed the adequacy and appropriateness of the related disclosures set out in Note 3.2(a), Note 12, Note 13 and Note 14 to the financial statements.

Adequacy of allowances for inventory obsolescence and net realisable value

As at 30 June 2023, the carrying amount of inventories amounted to $23.3 million, after considering the allowance for inventory obsolescence of $1.7 million. As the Group sells retail merchandise that is subjected to changing consumer demands and fashion trends, significant judgement is required to assess and estimate the appropriate level of allowance for merchandise. Such judgements include management's expectations for future sales, inventory liquidation plans and management's forecast of inventory levels that is required to meet consumer demand. In addition, the judgements used by management may vary between business units depending on the nature of the merchandise. As such, we determine this to be a key audit matter.

Our audit procedures included, amongst others, assessing the processes, methods and assumptions used by management to develop the policy for allowance for obsolescence. We considered the reasonableness of management's estimates used in determining the allowance for obsolescence by reviewing the historical markdowns of inventory values, gross margin analysis, historical sales pattern of inventories and future sales expectations, taking into consideration the gross margins on sales subsequent to the year end. We have reviewed on a sampling basis that the inventory items are categorised appropriately in the relevant ageing brackets and assessed the reasonableness of percentage allowances applied by taking reference to utilisation based on actual sales made.

We also assessed the adequacy of the related disclosures set out in Note 3.2(b) and Note 16 to the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's responsibilities for the audit of the financial statements (continued)

- 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 Ang Chuen Beng.

Ernst & Young LLP

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

28 September 2023

CONSOLIDATED INCOME STATEMENT

For the financial year ended 30 June 2023

(In Singapore Dollars)

	Note	Group 2023 $'000	Group 2022 $'000
Revenue	5	86,454	80,903
Other income	6	398	729
Interest income		64	9
		86,916	81,641
Cost of goods sold		(41,294)	(40,958)
Staff costs	7	(16,211)	(14,784)
Rental of premises		(6,319)	(3,118)
Advertising and promotion		(2,325)	(2,240)
Depreciation of furniture, fixtures and equipment	12	(1,346)	(1,839)
Depreciation of right-of-use assets	13	(8,879)	(10,328)
Other operating expenses		(7,796)	(6,787)
Operating profit before expected credit losses allowance and impairment		2,746	1,587
Reversal of allowance for expected credit losses		625	1,035
Impairment of furniture, fixtures and equipment and right-of-use assets		–	(40)
Reversal of impairment loss on investment in an associate	15	–	469
Operating profit		3,371	3,051
Interest expenses from borrowings	9	(630)	(723)
Interest expenses from lease liabilities	22	(405)	(376)
Foreign exchange gain, net		666	67
Share of results of associates, net of tax		1,834	1,867
Profit before tax	8	4,836	3,886
Income tax expenses	10	(1,318)	(954)
Net profit for the year		3,518	2,932
Profit attributable to:			
Equity holders of the parent		3,532	2,975
Non-controlling interests		(14)	(43)
		3,518	2,932
Earnings per share (cents)			
Basic and diluted	11	0.30	0.27

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2023

(In Singapore Dollars)

	Group	
	2023 $'000	**2022** $'000
Profit for the year	3,518	2,932
Other comprehensive income:		
Item that may be reclassified subsequently to profit or loss		
Foreign currency translation	(1,468)	(638)
Share of other comprehensive income of associates, net of tax	(62)	(15)
Total comprehensive income for the year	1,988	2,279
Total comprehensive income attributable to:		
Equity holders of the parent	2,002	2,322
Non-controlling interests	(14)	(43)
	1,988	2,279

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

BALANCE SHEETS

As at 30 June 2023

(In Singapore Dollars)

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Non-current assets					
Furniture, fixtures and equipment	12	2,848	2,225	116	169
Right-of-use assets	13	12,087	8,411	244	48
Subsidiaries	14	–	–	37,101	38,923
Investment in associates	15	16,575	14,409	–	–
Deferred tax assets	21	470	407	–	–
		31,980	25,452	37,461	39,140
Current assets					
Inventories	16	23,270	20,339	–	–
Trade debtors	17	9,900	9,659	–	–
Other debtors	18	11,803	11,294	10,108	4,858
Prepayments and advances		449	552	31	49
Tax recoverable		–	13	–	–
Cash on hand and at bank	26	6,190	12,510	3,350	4,128
		51,612	54,367	13,489	9,035
Total assets		83,592	79,819	50,950	48,175
Current liabilities					
Trade and other creditors	19	16,333	15,598	3,200	2,395
Borrowings	20	11,818	13,254	20	19
Lease liabilities	22	6,403	5,727	81	61
Provision for taxation		147	294	–	–
		34,701	34,873	3,301	2,475
Net current assets		16,911	19,494	10,188	6,560
Non-current liabilities					
Other creditors	19	–	–	8,806	8,450
Borrowings	20	1,706	3,246	73	93
Lease liabilities	22	6,687	3,190	177	–
		8,393	6,436	9,056	8,543
Total liabilities		43,094	41,309	12,357	11,018
Net assets		40,498	38,510	38,593	37,157
Equity					
Share capital	23	186,170	186,170	186,170	186,170
Foreign currency translation reserve	24	(2,739)	(1,271)	–	–
Other reserves	25	318	380	–	–
Accumulated losses		(143,218)	(146,750)	(147,577)	(149,013)
Equity attributable to equity holders of the parent		40,531	38,529	38,593	37,157
Non-controlling interests		(33)	(19)	–	–
Total equity		40,498	38,510	38,593	37,157

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2023

(In Singapore Dollars)

	Attributable to the equity holders of the parent						
	Share capital $'000	Foreign currency translation reserve $'000	Other reserves $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Group							
At 1 July 2022	186,170	(1,271)	380	(146,750)	38,529	(19)	38,510
Profit/(loss) for the year	–	–	–	3,532	3,532	(14)	3,518
Other comprehensive income							
Foreign currency translation	–	(1,468)	–	–	(1,468)	–	(1,468)
Share of other comprehensive income of associates, net of tax	–	–	(62)	–	(62)	–	(62)
Total comprehensive income for the year	–	(1,468)	(62)	3,532	2,002	(14)	1,988
At 30 June 2023	186,170	(2,739)	318	(143,218)	40,531	(33)	40,498
At 1 July 2021	183,229	(633)	395	(149,725)	33,266	–	33,266
Profit/(loss) for the year	–	–	–	2,975	2,975	(43)	2,932
Other comprehensive income							
Foreign currency translation	–	(638)	–	–	(638)	–	(638)
Share of other comprehensive income of associates, net of tax	–	–	(15)	–	(15)	–	(15)
Total comprehensive income for the year	–	(638)	(15)	2,975	2,322	(43)	2,279
Capital contribution from a non-controlling interest	–	–	–	–	–	24	24
Issuance of shares from placement	3,000	–	–	–	3,000	–	3,000
Share issuance expenses	(59)	–	–	–	(59)	–	(59)
At 30 June 2022	186,170	(1,271)	380	(146,750)	38,529	(19)	38,510

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 June 2023

(In Singapore Dollars)

	Share capital $'000	Accumulated losses $'000	Total Equity $'000
Company			
At 1 July 2022	186,170	(149,013)	37,157
Profit for the year, representing total comprehensive income for the year	–	1,436	1,436
At 30 June 2023	186,170	(147,577)	38,593
At 1 July 2021	183,229	(149,561)	33,668
Profit for the year, representing total comprehensive income for the year	–	548	548
Issuance of shares from placement	3,000	–	3,000
Share issuance expenses	(59)	–	(59)
At 30 June 2022	186,170	(149,013)	37,157

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

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 30 June 2023

(In Singapore Dollars)

	Group	
	2023 $'000	**2022** $'000
Operating activities:		
Profit before tax	4,836	3,886
Adjustments for:		
Depreciation of furniture, fixtures and equipment	1,346	1,839
Depreciation of right-of-use assets	8,879	10,328
Share of results of associates, net of tax	(1,834)	(1,867)
Currency realignment	(936)	(456)
Loss on disposal of furniture, fixtures and equipment	26	133
Interest income	(64)	(9)
Interest expenses from borrowings	630	723
Interest expenses from lease liabilities	405	376
Impairment of furniture, fixtures and equipment and right-of-use assets	–	40
Reversal of impairment loss on investment in an associate	–	(469)
(Reversal of allowance)/allowance for inventory obsolescence and inventories written off, net	(78)	546
Reversal of allowance for expected credit losses	(625)	(1,035)
Total adjustments	7,749	10,149
Operating cash flows before changes in working capital	12,585	14,035
Changes in working capital:		
(Increase)/decrease in debtors	(282)	1,503
Decrease/(increase) in prepayments and advances	103	(198)
(Increase)/decrease in inventories	(2,853)	5,567
Increase/(decrease) in creditors	675	(5,137)
Total changes in working capital	(2,357)	1,735
Cash flows generated from operations	10,228	15,770
Interest received	64	9
Income tax paid	(1,534)	(216)
Net cash flows generated from operating activities	8,758	15,563

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 30 June 2023

(In Singapore Dollars)

	Group	
	2023 $'000	**2022** $'000
Investing activities:		
Purchase of furniture, fixtures and equipment	(1,395)	(66)
Proceeds from disposal of furniture, fixtures and equipment	–	71
Net cash flows (used in)/generated from investing activities	(1,395)	5
Financing activities:		
Capital contribution from a non-controlling interest	–	24
Proceeds from issuance of shares from placement	–	3,000
Share issuance expenses	–	(59)
Repayment of bank borrowings	(2,345)	(4,735)
Repayment of other borrowings	(22)	(93)
Interest paid	(630)	(723)
Payment of lease liabilities	(9,471)	(11,061)
Net cash flows used in financing activities	(12,468)	(13,647)
Net (decrease)/increase in cash and cash equivalents	(5,105)	1,921
Cash and cash equivalents at beginning of financial year	10,950	9,133
Net effect of exchange rate changes on opening cash and cash equivalents	(606)	(104)
Cash and cash equivalents at end of financial year (Note 26)	5,239	10,950

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

1. CORPORATE INFORMATION

F J Benjamin Holdings Ltd (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and the principal place of business of the Company is located at 1 Jalan Kilang Timor, #07-01/02 Pacific Tech Centre, Singapore 159303.

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 4 to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet 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 effective for annual periods beginning on or after 1 July 2022. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group and the Company.

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
SFRS(I) 17 *Insurance Contracts*	1 January 2023
Amendments to SFRS(I) 17 *Insurance Contracts*	1 January 2023
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements* and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 1-12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 16 *Leases*: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements*: Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 10 *Consolidated Financial Statements* and SFRS(I) 1-28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation and business combinations (continued)

(a) Basis of consolidation (continued)

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

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(b) Business combinations

Business combinations are accounted for using 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 deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, are recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

2.5 Functional and foreign currency

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

(a) Transactions and balances

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Functional and foreign currency (continued)

(b) Consolidated financial statements

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

2.6 Furniture, fixtures and equipment

All items of furniture, fixtures and equipment are initially recorded at cost. Subsequent to recognition, furniture, fixtures and equipment are measured at cost less accumulated depreciation and any accumulated impairment loss.

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

Furniture and fittings	–	3 to 10 years
Electrical installation and office equipment	–	3 to 7 years
Motor vehicles	–	5 years
Data processing equipment	–	3 years
Leasehold improvements	–	2 to 6 years

Assets under construction included in leasehold improvements are not depreciated as these assets are not yet available for use.

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

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

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

2.7 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 such indication exists, or when an 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Impairment of non-financial assets (continued)

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.

2.8 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 balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

2.9 Associates

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

The Group accounts for its investment in an associate using the equity method from the date on which it becomes an associate.

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 associate's profit or loss in the period in which the investment is acquired.

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Associates (continued)

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 its associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in an associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of associate 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.

Upon loss of significant influence over an associate, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

2.10 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the Group becomes a party to the contractual provisions of the financial instrument.

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 debtors 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 debtors do not contain a significant financing component at initial recognition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Financial instruments (continued)

(a) Financial assets (continued)

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, fair value through other comprehensive income and fair value through profit or loss. The Company only has debt instruments at 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.

Derivatives

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

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 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.

2.11 Impairment of financial assets

The Group recognises an allowance for expected credit losses (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.

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

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

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and demand deposits which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.13 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises the invoiced value of goods on a weighted average basis together with the related charges incurred in importing such goods.

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.

2.14 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 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 reporting period 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.

2.15 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.

Government grant shall be recognised in profit or loss on a systematic basis over the periods which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as "Other income".

2.16 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 2.11 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.18 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. The Singapore and Malaysian companies in the Group make contributions to the Central Provident Fund scheme in Singapore and Employees Provident Fund scheme in Malaysia respectively. These are defined contribution pension schemes.

Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

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

(c) Termination benefit

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for termination benefits is recognised at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognises related restructuring costs. Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employment benefits, short-term employee benefits, or other long-term employee benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Leases

Group as a lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

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. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, as follows:

Leasehold buildings	–	1 to 5 years
Office equipment	–	1 to 5 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 of non-financial assets is set out in Note 2.7.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Leases (continued)

Group as a lessee (continued)

Lease liabilities

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

Short-term leases and leases of low-value assets

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

2.20 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.

The Group assesses its revenue arrangements to determine if it is acting as a principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

(a) Sale of goods

Revenue from sale of goods is recognised upon the satisfaction of each performance obligation, which is usually on delivery of goods. 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.

Contract liability is recognised when the Group has not yet delivered the goods but has received advanced payments from the customer. Contract liabilities are recognised as revenue as the Group satisfies the performance obligation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Revenue (continued)

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

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

(d) Market support and administrative service income

Market support and administrative service income is recognised upon rendering of services.

2.21 Taxes

(a) Current income tax

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

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

(b) Deferred tax

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

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

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

– In respect of taxable temporary differences associated with investments in subsidiaries, 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Taxes (continued)

(b) Deferred tax

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

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

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

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

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

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

(c) Sales tax

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Share capital and share issuance expenses

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

2.23 Contingencies

A contingent liability is:

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management is of the opinion that there is no instance of impact application of judgement which is expected to have a significant impact on the amounts recognised in the consolidated financial statements, apart from those involving estimations described below.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS 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 reporting date, 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) *Assessment of impairment of non-financial assets*

The Group and Company assess whether there are indicators of impairment for furniture, fixtures and equipment, right-of-use assets, investment in subsidiaries and investment in associates at each reporting date. These assets are tested for impairment where there are indications that the carrying amounts may not be recoverable. This requires an estimation of the recoverable amounts of the cash-generating units which is determined based on the higher of fair value less cost to sell ("FVLCTS") and value-in-use ("VIU") methods. In determining the recoverable amounts of the cash-generating units, the Group and Company evaluate, amongst other factors, the market and economic environment in which the cash-generating units operate and the economic performance of these assets.

The carrying amounts of the Group's furniture, fixtures and equipment and right-of-use assets as at 30 June 2023 were approximately $2,848,000 (2022: $2,225,000) and $12,087,000 (2022: $8,411,000) respectively. The key assumptions are disclosed in Notes 12 and 13. There is no material impact to the carrying amount of furniture, fixtures and equipment and right-of-use assets if the estimated discount rate used in the calculation had increased by 0.5%.

The carrying amount of the Company's investment in subsidiaries as at 30 June 2023 was approximately $37,101,000 (2022: $38,923,000). The key assumptions are disclosed in Note 14. An increase in estimated discount rate by 0.5% would result in a further impairment loss on the investment in subsidiaries.

The carrying amount of the Group's investment in associates as at 30 June 2023 was approximately $16,575,000 (2022: $14,409,000). The key assumptions are disclosed in Note 15. The recoverable amount of investment in associates will decrease/increase by $989,000/$1,229,000 if the estimated discount rate used in calculation had increased/decreased by 0.5%.

(b) *Allowance for inventory obsolescence and net realisable value*

Allowance for inventory obsolescence is estimated based on the best available facts and circumstances at the end of each reporting period, including but not limited to the historical markdowns of inventory values, gross margin analysis, historical sales pattern of inventories and future sales expectations.

Inventories are stated at the lower of cost and net realisable value. The net realisable value is estimated based on the estimated average realisable value of each type of inventory. The carrying amount of the Group's inventories as at 30 June 2023 was approximately $23,270,000 (2022: $20,339,000).

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

3.2 Key sources of estimation uncertainty (continued)

(c) *Expected credit losses ("ECL") of trade and other debtors*

The Group uses a provision matrix to calculate ECLs for trade debtors. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed. For other debtors, ECLs is measured based on general approach. If the credit risk of the other debtors has not increased significantly since initial recognition, a loss allowance of 12-month is recognised. A loss allowance for lifetime expected credit losses is recognised if there has been a significant increase in credit risk since initial recognition of the other debtors.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances of forecast economic conditions. The Group's historical loss experience and forecast of economic conditions may not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and other debtors is disclosed in Note 27(a).

The carrying amounts of the Group's trade and other debtors as at 30 June 2023 were approximately $9,900,000 and $11,803,000 (2022: $9,659,000 and $11,294,000) respectively.

4. GROUP COMPANIES

(A) The subsidiaries as at 30 June are:

	Name of company [country of incorporation]	Principal activities	Percentage of equity interest 2023 %	2022 %
	Held by the Company			
~	Fashion Dynamics International Pte Ltd [Singapore]	Investment holding company	100	100
~	F. J. B. Investment Pte Ltd [Singapore]	Investment holding company	100	100
~	F J Benjamin Concepts Pte Ltd [Singapore]	Investment holding company	100	100
~	F J Benjamin Ideas Pte Ltd [Singapore]	Dormant	100	100
#	F J Benjamin (M) Sdn. Bhd. [Malaysia]	Importers, distributors and retailers of consumer fashion wear, accessories, timepieces, beauty and health and wellness products	100	100
+	F J Benjamin (H.K.) Limited [Hong Kong]	Dormant	100	100
@	Ferro Designs Limited [Hong Kong]	Investment holding company	100	100
	Held through subsidiaries			
~	Nootrees Pte Ltd [Singapore]	Dormant	100	100
~	F J Benjamin Lifestyle Pte Ltd [Singapore]	Dormant	100	100
~	F J Benjamin (Singapore) Pte Ltd [Singapore]	Importers, exporters, distributors and retailers of consumer fashion wear, accessories, timepieces, home furnishings, beauty and health and wellness products and operates a multi-label luxury shoe and lifestyle concept store	100	100

4. **GROUP COMPANIES** (continued)

(A) The subsidiaries as at 30 June are: (continued)

	Name of company [country of incorporation]	Principal activities	Percentage of equity interest 2023 %	2022 %
	Held through subsidiaries (continued)			
~	Fashion Dynamics Singapore Pte Ltd [Singapore]	Dormant	100	100
#	F J Benjamin Lifestyle Sdn. Bhd. [Malaysia]	Dormant	100	100
*	F J Benjamin Luxury Timepieces Sdn. Bhd. [Malaysia]	Dormant	–	100
*	F J Benjamin Timepieces (HK) Limited [Hong Kong]	Wholesale and retail of watches and accessories	–	100
@	Fashion Dynamics HK Ltd [Hong Kong]	Sourcing activities	100	100
+	F. J. Benjamin Fashions (U.S.), Inc. [United States]	Dormant	100	100
+	F J Benjamin Italy S.R.L. [Italy]	Dormant	100	100
+	PT Meteor Prima Sejati [Indonesia]	Importers, exporters and distributors of consumer fashion wear, timepieces and accessories	100	100

~ Audited by Ernst & Young LLP, Singapore.

Audited by member firms of Ernst & Young Global in the respective countries.

+ Not required to be audited by the laws of its country of incorporation. These foreign subsidiaries are not considered significant as defined under Clause 718 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist.

@ Audited by YATA Certified Public Accountants, Hong Kong.

* Struck off during the financial year ended 30 June 2023.

4. GROUP COMPANIES (continued)

(B) Interest in subsidiary with non-controlling interest as at 30 June are:

	Name of company [country of incorporation]	Principal activities	Percentage of equity interest 2023 %	2022 %
^	The Luxe Concierge Pte Ltd [Singapore]	Dormant	51	51

^ Audited by KMC & Partners LLP, Singapore.

Acquisition of interest in The Luxe Concierge Pte Ltd ("The Luxe Concierge")

In the previous financial year, The Luxe Concierge was incorporated with an issued and paid-up share capital of $50,000 on 17 September 2021. Shareholders of The Luxe Concierge are F.J.B Investment Pte Ltd (a wholly-owned subsidiary of the Company) and Prestige Luxe Limited (an unrelated third party company incorporated in the British Virgin Islands) (49%). The Group acquired 51% interest in The Luxe Concierge for a cash consideration of $25,500.

5. REVENUE

Revenue of the Group represents the invoiced value of sale of goods to external customers.

	2023 $'000	2022 $'000
Timing of revenue recognition		
At a point in time	86,454	80,903

(a) Disaggregation of revenue

The Group has determined that disaggregation of revenue using existing segments and geographical markets meet the disclosure objective of SFRS(I) 15 Para 114. Information regarding operating segments is disclosed in Note 29.

(b) Contract liabilities

Information about receivables and contract liabilities from contracts with customers is disclosed as follows:

	2023 $'000	2022 $'000
Contract liabilities (Note 19)	57	66

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for sale of gift vouchers and loyalty programme.

5. **REVENUE** (continued)

(b) ***Contract liabilities*** (continued)

Contract liabilities are recognised as revenue as the Group performs under the contract.

Set out below is the amount of revenue recognised from:

	Group	
	2023 $'000	**2022** $'000
Amounts included in the contract liabilities at the beginning of the year	34	2

6. **OTHER INCOME**

	Group	
	2023 $'000	**2022** $'000
Market support and administrative service income (Note 32)	265	265
Government grants[1]	36	546
Loss on disposal of furniture, fixtures and equipment	(26)	(133)
Write back of payables and accruals	120	–
Reversal of provision for restoration cost (Note 19)	3	9
Others	–	42
	398	729

(1) Comprise mainly grant income received by the Group under Jobs Support Scheme, Wage Credit Scheme, Temporary Credit Scheme, Senior Employment Credit and Job Growth Incentive.

7. **STAFF COSTS**

	Group	
	2023 $'000	**2022** $'000
Salaries and bonuses	11,644	10,283
Provident fund contributions	1,769	1,657
Other short-term benefits	2,798	2,844
	16,211	14,784

8. PROFIT BEFORE TAX

The following items have been included in arriving at profit before taxation:

	Group	
	2023 $'000	**2022** $'000
Audit fees:		
– Auditors of the Company	232	232
– Other auditors	32	35
Non-audit fees:		
– Auditors of the Company	88	69
– Other auditors	21	41
Reversal of allowance for inventory obsolescence, net (Note 16)	(124)	(51)
Inventories written off (Note 16)	46	597
Outlet related expenses	1,783	1,360
Travel and accommodation expenses	420	108
Utilities	447	357
Freight, warehousing, handling and shipping costs*	1,956	1,759
Royalties	252	231
Professional and legal fees	738	432
Telecommunication	218	226
Repair and maintenance	579	473

* Included fees paid to third party warehousing and logistic provider.

9. INTEREST EXPENSES FROM BORROWINGS

	Group	
	2023 $'000	**2022** $'000
Interest expense on:		
– Bank borrowings	626	705
– Other borrowings	4	18
	630	723

10. INCOME TAX EXPENSES

(a) *Major components of income tax expenses*

The major components of income tax expenses for the financial year ended 30 June 2023 and 2022 are:

	Group	
	2023 $'000	**2022** $'000
Current income tax		
– Current tax	1,404	1,001
– Under provision in respect of prior years	15	1
	1,419	1,002
Deferred income tax		
– Movements in temporary differences	(101)	(48)
Income tax expenses recognised in statement of profit or loss	1,318	954

(b) *Relationship between tax expense and profit before taxation*

A reconciliation between tax expense and the product of profit before tax multiplied by the applicable corporate tax rate for the financial year ended 30 June 2023 and 2022 is as follows:

	Group	
	2023 $'000	**2022** $'000
Profit before share of results of associates and before tax	3,002	2,019
Tax at the domestic rates applicable to profits in the countries where the Group operates	858	578
Adjustments:		
Income not subjected to tax	(419)	(679)
Expenses not deductible for tax purposes	656	493
Deferred tax assets not recognised	208	561
Under provision in respect of prior years	15	1
	1,318	954

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

10. INCOME TAX EXPENSES (continued)

(b) ***Relationship between tax expense and profit before taxation*** (continued)

As at 30 June 2023, certain subsidiaries had unutilised tax losses of approximately $81.9 million (2022: $80.7 million) available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax assets are recognised due to uncertainty of their recoverability. The use of these unutilised tax losses are subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

The expiry date of the Group's unrecognised tax losses are as follows:

	Group	
Year	**2023** $'000	**2022** $'000
2028	3,147	3,330
2029	46	49
Total	3,193	3,379

11. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and share data used in the computation for basic and diluted earnings per share for the financial years ended 30 June:

	Group	
	2023 $'000	**2022** $'000
Net profit for the financial year attributable to equity holders of the parent used in the computations of basic and diluted earnings per share	3,532	2,975
	'000	'000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	1,187,314	1,115,314

12. FURNITURE, FIXTURES AND EQUIPMENT

	Furniture and fittings $'000	Electrical installation and office equipment $'000	Motor vehicles $'000	Data processing equipment $'000	Leasehold improvements $'000	Total $'000
Group						
Cost						
At 1 July 2021	1,053	1,863	668	2,632	18,578	24,794
Currency realignment	1	(28)	(5)	(21)	(296)	(349)
Additions	–	–	21	25	20	66
Disposals	(42)	(349)	–	(90)	(2,612)	(3,093)
At 30 June 2022 and 1 July 2022	1,012	1,486	684	2,546	15,690	21,418
Currency realignment	(11)	(86)	(17)	(75)	(936)	(1,125)
Additions	31	146	–	123	1,795	2,095
Disposals	(359)	(9)	–	(165)	(884)	(1,417)
At 30 June 2023	673	1,537	667	2,429	15,665	20,971
Accumulated depreciation and impairment loss						
At 1 July 2021	988	1,655	448	2,495	14,964	20,550
Currency realignment	2	(28)	(4)	(19)	(258)	(307)
Depreciation charge for the financial year	54	75	52	92	1,566	1,839
Disposals	(42)	(346)	–	(90)	(2,411)	(2,889)
At 30 June 2022 and 1 July 2022	1,002	1,356	496	2,478	13,861	19,193
Currency realignment	(11)	(77)	(17)	(75)	(845)	(1,025)
Depreciation charge for the financial year	11	64	56	65	1,150	1,346
Disposals	(359)	(8)	–	(165)	(859)	(1,391)
At 30 June 2023	643	1,335	535	2,303	13,307	18,123
Net carrying amount						
At 30 June 2023	30	202	132	126	2,358	2,848
At 30 June 2022	10	130	188	68	1,829	2,225

12. FURNITURE, FIXTURES AND EQUIPMENT (continued)

	Electrical installation and office equipment $'000	Motor vehicles $'000	Data processing equipment $'000	Leasehold improvements $'000	Total $'000
Company					
Cost					
At 1 July 2021	233	259	36	48	576
Additions	–	–	2	–	2
At 30 June 2022, 1 July 2022 and 30 June 2023	233	259	38	48	578
Accumulated depreciation and impairment loss					
At 1 July 2021	233	39	36	48	356
Depreciation charge for the financial year	–	51	2	–	53
At 30 June 2022 and 1 July 2022	233	90	38	48	409
Depreciation charge for the financial year	–	53	–	–	53
At 30 June 2023	233	143	38	48	462
Net carrying amount					
At 30 June 2023	–	116	–	–	116
At 30 June 2022	–	169	–	–	169

Assets under construction

The Group's leasehold improvements included $7,000 (2022: $40,000) which relate to expenditure for retail outlets in the course of renovation.

Assets through borrowings

During the financial year, the Group acquired furniture, fixtures and equipment amounting to $2,095,000 (2022: $66,000) of which $nil (2022: $nil) were acquired by way of external borrowings.

The carrying amount of furniture, fixtures and equipment purchased through borrowings at the reporting period were $116,000 (2022: $217,000).

12. FURNITURE, FIXTURES AND EQUIPMENT (continued)

Assets pledged as security

Motor vehicle is pledged as security for the related borrowings. There were no other assets pledged as security for bank facilities as at 30 June 2023 and 30 June 2022.

Impairment testing

There were outlets in loss making position while certain outlets managed to turn profitable in the previous financial year. Management has determined that there are indicators of impairment and triggers for reversal of impairment on the furniture, fixtures and equipment and right-of-use assets of the outlet cash-generating unit. The recoverable amounts of the furniture, fixtures and equipment (Note 12) and right-of-use assets (Note 13) had been determined based on value-in-use calculations using cash flow projections approved by management and fair value less cost to sell. The pre-tax discount rate applied to the cash flows projections ranged from 9.64% to 14.47%. Accordingly, there was an impairment loss of $40,000 recognised on right-of-use assets.

For the current financial year, no impairment loss or reversal of impairment were recognised as there were no indicators of impairment and triggers for reversal of impairment on the furniture, fixtures and equipment and right-of-use assets of the outlet cash-generating unit.

13. RIGHT-OF-USE ASSETS

The Group's office equipment and leasehold buildings which comprises of office, retail operations and warehouse are non-cancellable within the lease period. These leases have varying terms, escalation clauses and renewal rights. Some leases contain extension options exercisable by the Group before the end of the non-cancellable period. These extension options are included in the carrying amount of right-of-use assets and lease liabilities if it is reasonably certain that the extension options will be exercised.

13. RIGHT-OF-USE ASSETS (continued)

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

	Office equipment $'000	Leasehold buildings $'000	Total $'000
Group			
Cost			
At 1 July 2021	222	32,327	32,549
Additions	–	3,910	3,910
Termination	–	(13,188)	(13,188)
Currency realignment	–	(380)	(380)
At 30 June 2022 and 1 July 2022	222	22,669	22,891
Additions	45	12,986	13,031
Termination	(222)	(14,779)	(15,001)
Currency realignment	–	(1,067)	(1,067)
At 30 June 2023	45	19,809	19,854
Accumulated depreciation and impairment loss			
At 1 July 2021	130	17,410	17,540
Depreciation charge for the financial year	65	10,263	10,328
Termination	–	(13,188)	(13,188)
Impairment loss	–	40	40
Currency realignment	–	(240)	(240)
At 30 June 2022 and 1 July 2022	195	14,285	14,480
Depreciation charge for the financial year	28	8,851	8,879
Termination	(222)	(14,770)	(14,992)
Currency realignment	–	(600)	(600)
At 30 June 2023	1	7,766	7,767
Carrying amount			
At 30 June 2023	44	12,043	12,087
At 30 June 2022	27	8,384	8,411

13. RIGHT-OF-USE ASSETS (continued)

	Leasehold buildings $'000
Company	
Cost	
At 1 July 2021, 30 June 2022 and 1 July 2022	153
Additions	280
Termination	(153)
At 30 June 2023	280
Accumulated depreciation and impairment loss	
At 1 July 2021	28
Depreciation charge for the year	77
At 30 June 2022 and 1 July 2022	105
Depreciation charge for the year	84
Termination	(153)
At 30 June 2023	36
Carrying amount	
At 30 June 2023	244
At 30 June 2022	48

The Group also has certain leases of office equipment and storage warehouses with lease terms of 12 months or less and/or with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The following are the amounts recognised in income statement:

	Group	
	2023 $'000	**2022** $'000
Depreciation of right-of-use assets	8,879	10,328
Interest expenses from lease liabilities	405	376
Variable lease payments which do not depend on an index or rate (included in rental expenses)	4,066	3,306
Expense relating to short-term and/or low-value leases (included in rental expenses)	2,804	2,818
Rent concessions (included in rental expenses)	(551)	(3,006)
	15,603	13,822

14. SUBSIDIARIES

	Company	
	2023 $'000	**2022** $'000
Investment in subsidiaries:		
Shares, at cost	73,208	73,208
Less: Accumulated impairment losses	(64,692)	(64,692)
	8,516	8,516
Receivables from subsidiaries:		
Other receivables	142,084	142,541
Accrual for financial undertakings	(169)	(487)
	141,915	142,054
Allowance for doubtful debts	(113,330)	(111,647)
	28,585	30,407
	37,101	38,923
Movement in allowance account:		
At 1 July	111,647	110,127
Allowance for the financial year	1,683	1,520
At 30 June	113,330	111,647

Details of the subsidiaries are set out in Note 4.

Receivables from subsidiaries represent part of net investment are unsecured and non-interest bearing. Settlement of the amounts due are neither planned nor likely to occur in the foreseeable future and they are repayable only when the cash flow of the subsidiaries permit. Accrual for financial undertakings relates to the financial support given to certain subsidiaries.

During the year, the management performed a review on the recoverable amount of the net investment. The recoverable of the net investment was estimated based on value-in-use calculations derived from cash flows projection. Key assumptions include revenue projection, gross profit margin, discount rates and long-term growth rate. The pre-tax discount rate is 9.78% (2022: 9.64%). Based on the assessment, an impairment of $1,683,000 (2022: $1,520,000) on the net investment was recorded.

The Company has undertaken not to recall amounts receivable from certain subsidiaries amounting to $142,084,000 (2022: $142,541,000) until such time the subsidiaries are in the position to repay the amounts without impairing their respective liquidity positions.

15. INVESTMENT IN ASSOCIATES

	Group	
	2023 $'000	**2022** $'000
Cost of investment in associates	1,232	1,172
Share of post-acquisition reserves	(8,797)	(10,569)
Currency realignment	(1,049)	(1,398)
	(8,614)	(10,795)
Long-term interests, representing part of the Group's net investment in an associate:		
Mandatory convertible bonds, representing investment in an associate	29,862	29,862
Other receivables	1,011	1,026
Less: Accumulated impairment loss	(5,684)	(5,684)
	25,189	25,204
Total investment in associates	16,575	14,409

The associates held by the Group are listed below:

Name of associates, country of incorporation and principal activities	**Effective percentage of interest held by Group**	
	2023 %	**2022** %
PT Gilang Agung Persada and its subsidiaries, Indonesia – Distribution of consumer fashion wear, accessories, timepieces, health and wellness products and other sales related activities.	50	50
RegalRare GEM Museum Pte. Ltd., Singapore – Operating, owning and management of museum bearing the name of RegalRare GEM Museum.	20	–

During the financial year, the Company's wholly-owned subsidiary, F.J.B. Investment Pte Ltd has 20% interest in a newly incorporated company in Singapore, RegalRare GEM Museum Pte. Ltd. ("RegalRare"), with an issued and paid-up share capital of $300,000, comprising 300,000 shares. The balance 80% shareholding interest in RegalRare is held by three other unrelated third parties. Accordingly, RegalRare is in substance an associate of the Group, and equity accounted for based on the Group's effective percentage of interest of 20%.

15. INVESTMENT IN ASSOCIATES (continued)

Details of material associate – PT Gilang Agung Persada and its subsidiaries

On 24 July 2014, the Group entered into an agreement with its Indonesian associate to subscribe for $39.9 million of mandatory convertible bonds issued by the associate. Consideration was satisfied by the offsetting of trade and other debts due from that associate. On 11 August 2014, $10.0 million of these bonds were sold to Indonesian investors, PT Saratoga Investama Sedaya Tbk and its co-investors for an aggregate consideration of US$18.0 million. As at 30 June 2023 and 30 June 2022, the Group holds $29.9 million of these bonds, which are entirely denominated in Indonesian Rupiah.

The mandatory convertible bonds bear interest at 8% per annum up to the date of conversion. During the financial year ended 30 June 2016, the Indonesian associate issued a revision to the terms relating to the interest to be paid on the mandatory convertible bonds, stating that with effect from 1 July 2015, all interest arising shall accrue and accumulate and shall be converted into principal and such principal shall be paid on date of conversion by way of an issuance of the fixed underlying shares of the associate.

The bonds shall be converted to shares of the associate at the earlier of (i) the initial public offering of the associate; or (ii) 30 June 2018 or such other date as may be agreed. During the financial year ended 30 June 2023, the parties agreed to extend the conversion date relating to (ii) to 31 January 2024 or such other dates as may be agreed.

Other receivables represent part of net investment are unsecured and non-interest bearing. Settlement of the amounts due are neither planned nor likely to occur in the foreseeable future and they are repayable only when the cash flow of the associate permit.

Management performed an impairment test to calculate the recoverable amount of the investment. The recoverable amount of the investment in an associate was determined based on value-in-use calculations approved by management. Key assumptions include revenue projection, gross profit margin, discount rates and long-term growth rate. The pre-tax discount rate is 19.19% (2022: 21.79%). Reversal of impairment loss of $nil (2022: $469,000) has been recognised in income statement.

15. INVESTMENT IN ASSOCIATES (continued)

Details of material associate – PT Gilang Agung Persada and its subsidiaries (continued)

The entity is audited by an associated firm of Moore Global Network Limited. The summarised aggregated financial information of PT Gilang Agung Persada and its subsidiaries, based on its financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

	2023 $'000	2022 $'000
Summarised balance sheet		
Current assets	39,090	35,186
Non-current assets	29,843	21,750
	68,933	56,936
Current liabilities	48,271	44,429
Non-current liabilities	10,143	5,426
	58,414	49,855
Net assets	10,519	7,081
Less: mandatory convertible bonds	(27,746)	(28,671)
Net liabilities of the associated company	(17,227)	(21,590)
Proportion of Group's ownership	50%	50%
Group's share of net liabilities	(8,614)	(10,795)
Summarised statement of comprehensive income		
Revenue	61,464	57,107
Profit after tax	3,789	3,734
Other comprehensive income	(124)	(30)
Total comprehensive income	3,665	3,704

The activities of PT Gilang Agung Persada and its subsidiaries are strategic to the Group's activities. No dividends were received from PT Gilang Agung Persada and its subsidiaries during the financial years ended 30 June 2023 and 30 June 2022.

16. INVENTORIES

	Group	
	2023 $'000	**2022** $'000
Trading stocks:		
On hand	21,396	19,236
In transit	1,874	1,103
Total inventories at lower of cost and net realisable value	23,270	20,339
Inventories recognised as an expense in cost of sales	39,751	39,797
Reversal of allowance for inventory obsolescence charged to the income statement, net	(124)	(51)
Inventories written off charged to the income statement	46	597

The reversal of allowance for inventory obsolescence was made when the related inventories were sold above their carrying amounts in the financial year ended 30 June 2023 and 2022.

17. TRADE DEBTORS

	Group	
	2023 $'000	**2022** $'000
External trade debtors	1,476	1,652
Trade debts due from associate	8,532	8,115
	10,008	9,767
Less: Allowance for expected credit losses	(108)	(108)
	9,900	9,659

Trade debtors are non-interest bearing and are generally on 60 to 90 days' terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Trade debts due from associate are non-interest bearing and are generally on 60 days' terms.

17. TRADE DEBTORS (continued)

The movement in allowance for expected credit losses of trade debtors computed based on lifetime ECL are as follows:

	Group	
	2023 $'000	**2022** $'000
Movement in allowance accounts:		
At 1 July	108	157
Reversal for the financial year	–	(3)
Allowance utilised	–	(46)
At 30 June	108	108

18. OTHER DEBTORS

	Group		Company	
	2023 $'000	**2022** $'000	**2023** $'000	**2022** $'000
Other debtors	2,311	2,246	1	1
Deposits	1,238	1,369	6	6
Loan to related party of associate	5,500	5,500	–	–
Due from subsidiaries	–	–	29,416	24,246
Due from associates	5,847	5,943	10	6
Derivative financial assets	12	1	–	–
	14,908	15,059	29,433	24,259
Less: Allowance for expected credit losses	(3,105)	(3,765)	(19,325)	(19,401)
	11,803	11,294	10,108	4,858

Other debtors and amounts due from associates are non-trade related, non-interest bearing and unsecured.

The loan to related party of associate is secured by shares in the associate, bears interest at 4.0% per annum and is repayable on 11 August 2016. In the previous year, the loan was extended to 9 June 2023. During the financial year, the repayment date has been extended to earlier of 11 June 2024 or the date of Initial Public Offering of PT Gilang Agung Persada. The loan is to be settled in cash.

The amounts due from subsidiaries are non-trade related, unsecured, non-interest bearing and are repayable on demand. These balances are to be settled in cash.

Derivative financial assets relate to the fair value change of forward currency contract.

18. OTHER DEBTORS (continued)

The movement in allowance for expected credit losses of other debtors computed based on lifetime ECL are as follows:

	Group		Company	
	2023 $'000	**2022** $'000	**2023** $'000	**2022** $'000
Movement in allowance accounts:				
At 1 July	3,765	4,794	19,401	19,202
Allowance for the financial year	–	–	–	199
Reversal for the financial year	(625)	(1,032)	(76)	–
Currency realignment	(35)	3	–	–
At 30 June	3,105	3,765	19,325	19,401

19. TRADE AND OTHER CREDITORS

	Group		Company	
	2023 $'000	**2022** $'000	**2023** $'000	**2022** $'000
<u>Current:</u>				
Trade creditors	8,416	7,342	–	–
Accruals	3,011	3,157	2,783	2,244
Provisions	740	638	–	–
Sundry creditors	4,083	4,384	240	120
Contract liabilities (Note 5)	57	66	–	–
Due to subsidiaries	–	–	177	31
Due to associates	26	11	–	–
	16,333	15,598	3,200	2,395
<u>Non-current:</u>				
Due to subsidiaries	–	–	8,806	8,450
	16,333	15,598	12,006	10,845

Trade creditors and sundry creditors are non-interest bearing and are generally on 60 to 90 days' terms.

The amounts due to subsidiaries (current) and associates are non-trade related, unsecured, non-interest bearing and are repayable on demand. These balances are to be settled in cash.

19. TRADE AND OTHER CREDITORS (continued)

The amounts due to subsidiaries (non-current) are non-trade related, unsecured, non-interest bearing and have an average repayment term of more than 5 years. These balances are to be settled in cash.

The movement in provision for restoration cost are as follows:

	Group	
	2023 $'000	**2022** $'000
At 1 July	638	697
Provided during the year	196	–
Utilisation	(71)	(43)
Reversal of provision (Note 6)	(3)	(9)
Currency realignment	(20)	(7)
At 30 June	740	638

Provision for restoration cost is the estimated costs of restoring leasehold premises, retail outlets and warehouse, which are capitalised as part of leasehold improvements and amortised over the remaining leasehold periods.

20. BORROWINGS

	Group		Company	
	2023 $'000	**2022** $'000	**2023** $'000	**2022** $'000
Current:				
Bank overdrafts (Note 26)	951	1,560	–	–
Trust receipts and bills payable	6,327	7,210	–	–
Term loans	4,520	4,462	–	–
	11,798	13,232	–	–
Other borrowings	20	22	20	19
	11,818	13,254	20	19
Non-current:				
Bank borrowings - Term loans	1,633	3,153	–	–
Other borrowings	73	93	73	93
	1,706	3,246	73	93
Total	13,524	16,500	93	112

20. BORROWINGS (continued)

Corporate guarantees are given by the Company amounting to approximately $28,873,000 (2022: $31,475,000) for facilities granted to certain subsidiaries and associate.

Term loans and bank overdrafts

The term loans bear interest at rates that ranged from 3.21% to 7.00% (2022: 1.65% to 7.00%) per annum during the financial year. The bank overdrafts bear interest at rates that ranged from 4.25% to 6.70% (2022: 4.25% to 7.95%) per annum during the financial year.

Trust receipts and bills payable

The trust receipts and bills payable bear interest at rates that ranged from 2.06% to 8.10% (2022: 1.94% to 5.58%) per annum during the financial year.

Other borrowings

The other borrowings bear interest at rates that ranged from 2.08% to 4.25% (2022: 2.08% to 4.25%) per annum during the financial year.

The Group's credit facilities are subject to certain terms and conditions, including compliance with debt covenants. Management monitors and assesses its debt covenants for all its loans and borrowings periodically.

			Non-cash changes			
	1 July 2022 $'000	**Cash flows** $'000	**Acquisition of furniture, fixtures and equipment** $'000	**Foreign exchange movement** $'000	**Other** $'000	**30 June 2023** $'000
Term loans	7,615	(1,462)	–	–	–	6,153
Trust receipts and bills payable	7,210	(883)	–	–	–	6,327
Other borrowings						
– current	22	(22)	–	–	20	20
– non-current	93	–	–	–	(20)	73
Total	14,940	(2,367)	–	–	–	12,573

20. BORROWINGS (continued)

	1 July 2021 $'000	Cash flows $'000	Non-cash changes: Acquisition of furniture, fixtures and equipment $'000	Non-cash changes: Foreign exchange movement $'000	Non-cash changes: Other $'000	30 June 2022 $'000
Term loans	9,683	(2,068)	–	–	–	7,615
Trust receipts and bills payable	9,877	(2,667)	–	–	–	7,210
Other borrowings						
– current	95	(93)	–	(2)	22	22
– non-current	115	–	–	–	(22)	93
Total	19,770	(4,828)	–	(2)	–	14,940

The 'other' column relates to reclassification of non-current portion of other borrowings due to passage of time.

21. DEFERRED TAXATION

	Group: Consolidated balance sheet 2023 $'000	Group: Consolidated balance sheet 2022 $'000	Group: Consolidated income statement 2023 $'000	Group: Consolidated income statement 2022 $'000
Gross deferred tax liabilities:				
Right-of-use assets	(1,580)	(1,038)	(654)	921
Accelerated capital allowances	(5)	(22)	16	46
	(1,585)	(1,060)		
Gross deferred tax assets:				
Lease liabilities	1,629	1,134	613	(941)
Provisions	426	333	126	22
	2,055	1,467	101	48
Reflected in balance sheet as follows:				
Deferred tax assets	470	407		

21. DEFERRED TAXATION (continued)

Unrecognised temporary differences relating to investments in subsidiaries and associate

At the end of the reporting period, no deferred tax liability (2022: nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's investments as:

– the Group has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future; and

– the Group's investment in an associate is held by a wholly-owned subsidiary in the same tax jurisdiction, and the Group has determined that undistributed profit of the subsidiary will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liabilities have been recognised aggregate to $5,804,000 (2022: $6,191,000). The deferred tax liability is estimated to be $580,000 (2022: $619,000).

22. LEASE LIABILITIES

	Group		Company	
	2023	**2022**	**2023**	**2022**
	$'000	$'000	$'000	$'000
As at 1 July	8,917	15,843	61	149
Additions	13,731	3,910	280	–
Accretion of interest	405	376	5	2
Payments	(9,471)	(11,061)	(88)	(90)
Currency realignment	(492)	(151)	–	–
As at 30 June	13,090	8,917	258	61
Current	6,403	5,727	81	61
Non-current	6,687	3,190	177	–
	13,090	8,917	258	61

(a) *Total cash outflow*

The Group had total cash outflow for leases of $15,790,000 (2022: $14,179,000) during the financial year.

22. LEASE LIABILITIES (continued)

(b) Future cash outflow which are not capitalised in lease liabilities

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. Management exercises judgement in determining whether these extensions and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Group		
	Within five years $'000	**More than five years** $'000	**Total** $'000
2023			
Extension options not included in lease term	5,715	1,307	7,022
2022			
Extension options not included in lease term	3,401	–	3,401

23. SHARE CAPITAL

	Group and Company			
	2023		2022	
	No. of shares '000	**Amount $'000**	**No. of shares '000**	**Amount $'000**
Ordinary shares issued and fully paid				
At 1 July	1,187,314	186,170	1,067,314	183,229
Issuance of shares from placement	–	–	120,000	3,000
Share issuance expenses	–	–	–	(59)
At 30 June	1,187,314	186,170	1,187,314	186,170

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

In the previous financial year, on 4 February 2022, the Company allotted and issued 120,000,000 new ordinary shares at $0.025 per share to Western Properties Pte Ltd pursuant to a placement exercise.

24. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency, and the translation of monetary items that in substance forms part of the Company's net investment in the foreign operations.

25. OTHER RESERVES

Other reserves comprise share of movements in the net defined benefits plan liabilities of associate resulting from re-measurements at each year end.

26. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 $'000	**2022** $'000	**2023** $'000	**2022** $'000
Cash on hand and at bank	2,763	9,083	30	808
Fixed deposits with licensed banks	3,427	3,427	3,320	3,320
	6,190	12,510	3,350	4,128

Cash at bank earn interest at floating rates based on daily bank deposit rates.

Fixed deposits with licensed banks must be maintained at all times with banks for term loan and bank guarantees and hence, are not available for general use.

Cash and cash equivalents included in the consolidated cash flow statement comprise the following balance sheet amounts:

	Group	
	2023 $'000	**2022** $'000
Cash on hand and at bank	2,763	9,083
Fixed deposits with licensed banks	3,427	3,427
Bank overdrafts (Note 20)	(951)	(1,560)
	5,239	10,950

27. 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 credit risk, interest rate risk, liquidity risk and foreign currency risk. The Board of Directors reviews and agrees on policies and procedures for the management of these risks, which are executed by management. The Group and the Company do not apply hedge accounting.

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) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade debtors and other debtors. Cash and fixed deposits are placed in banks and financial institutions with good credit rating.

The Group manages its credit risk through application of credit approvals, credit limits and monitoring procedures.

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 and when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

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:

– Internal credit rating

– 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 debtor's ability to meet its obligations

– Actual or expected significant changes in the operating results of the debtor

– Significant increases in credit risk on other financial instruments of the same debtor

– Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

– Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Credit risk (continued)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payments.

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

– There is significant difficulty of the issuer or the debtor

– A breach of contract, such as a default of past due event

– It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation

– There is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a loan or receivable for potential write-off when the receivable remains uncollectable after all reasonable collection efforts have been exhausted. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

A summary of the Group's basis for recognition of the Group's expected credit loss ("ECL") for trade and other debtors is as follows:

Assets classifications	Basis for recognition of expected credit loss provision
Trade debtors	Lifetime ECL (simplified approach)
Other debtors	12-month ECL
Other debtors (Due from associates and related party of associate)	Lifetime ECL

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

Trade debtors

The Group provides for lifetime expected credit losses for trade debtors using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region. The loss allowance provision as at year end is determined as follows, the expected credit losses below also incorporate forward-looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Credit risk (continued)

Summarised below is the information about the credit risk exposure on the Group's trade debtors using the provision matrix:

	Current $'000	Less than 30 days past due $'000	More than 30 days past due $'000	More than 60 days past due $'000	More than 90 days past due $'000	Total $'000
2023						
Gross carrying amount	2,827	373	66	1	6,741	10,008
Loss allowance provision	–	–	–	–	(108)	(108)
	2,827	373	66	1	6,633	9,900
2022						
Gross carrying amount	1,623	204	4	16	7,920	9,767
Loss allowance provision	–	–	–	–	(108)	(108)
	1,623	204	4	16	7,812	9,659

Information regarding loss allowance movement of trade debtors are disclosed in Note 17.

Other debtors

The Company assessed the latest performance and financial position of other debtors, adjusted for the future outlook of the industry in which the counterparties operate in. Accordingly, the Company measured the impairment loss allowance using general approach of ECL. Information regarding loss allowance movement of other debtors are disclosed in Note 18.

Exposure to credit risk

As 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, and
- $28,873,000 (2022: $31,475,000) relating to corporate guarantees provided by the Company to banks on banking facilities granted to certain subsidiaries and associate.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Credit risk (continued)

Excessive risk concentration

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

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly.

Credit risk concentration profile

The Group has (i) approximately 86% (2022: 84%) of the trade debts due from an associate in Indonesia and (ii) approximately 18% (2022: 13%) of the financial assets due from a related party of an associate in Indonesia.

Financial assets that are neither past due nor impaired

Trade and other debtors that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash on hand and at bank and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 17 and Note 18.

(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 exposure to interest rate risk arises primarily from bank borrowings which are subject to floating interest rates and are re-priced at intervals of less than one year.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts, and interest rate economic effect of converting borrowings from fixed rates to floating rates or vice versa.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Interest rate risk (continued)

The effect of a reasonably possible increase in interest rates in each type of currency financial instrument, with all other variables held constant, would increase the profit before tax by the amounts shown below.

	Group			
	Basis points		**Decrease in profit before tax**	**Decrease in profit before tax**
	2023	**2022**	**2023** $'000	**2022** $'000
Singapore dollar borrowings	75	75	(54)	(65)
Malaysian dollar borrowings	75	75	(11)	(22)

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group manages its liquidity risk by maintaining a healthy balance of cash and cash equivalents and an adequate amount of committed credit facilities.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) *Liquidity risk* (continued)

Analysis of financial instruments by remaining contractual maturities

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

	1 year or less $'000	**1 to 5 years** $'000	**Over 5 years** $'000	**Total** $'000
Group				
2023				
Financial assets:				
Trade debtors	9,900	–	–	9,900
Other debtors	11,791	–	–	11,791
Derivative financial assets	12	–	–	12
Cash on hand and at bank	6,190	–	–	6,190
Total undiscounted financial assets	27,893	–	–	27,893
Financial liabilities:				
Trade and other creditors	15,536	–	–	15,536
Borrowings	12,467	1,780	–	14,247
Lease liabilities	6,792	7,006	–	13,798
Total undiscounted financial liabilities	34,795	8,786	–	43,581
Total net undiscounted financial liabilities	(6,902)	(8,786)	–	(15,688)
2022				
Financial assets:				
Trade debtors	9,659	–	–	9,659
Other debtors	11,293	–	–	11,293
Derivative financial assets	1	–	–	1
Cash on hand and at bank	12,510	–	–	12,510
Total undiscounted financial assets	33,463	–	–	33,463
Financial liabilities:				
Trade and other creditors	14,894	–	–	14,894
Borrowings	13,852	3,416	–	17,268
Lease liabilities	5,884	3,278	–	9,162
Total undiscounted financial liabilities	34,630	6,694	–	41,324
Total net undiscounted financial liabilities	(1,167)	(6,694)	–	(7,861)

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

	1 year or less $'000	1 to 5 years $'000	Over 5 years $'000	Total $'000
Company				
2023				
Financial assets:				
Receivables from subsidiaries	–	–	28,585	28,585
Other debtors	10,108	–	–	10,108
Cash on hand and at bank	3,350	–	–	3,350
Total undiscounted financial assets	13,458	–	28,585	42,043
Financial liabilities:				
Trade and other creditors	3,200	–	8,806	12,006
Borrowings	23	78	–	101
Lease liabilities	102	179	–	281
Total undiscounted financial liabilities	3,325	257	8,806	12,388
Total net undiscounted financial assets/(liabilities)	10,133	(257)	19,779	29,655
2022				
Financial assets:				
Receivables from subsidiaries	–	–	30,407	30,407
Other debtors	4,858	–	–	4,858
Cash on hand and at bank	4,128	–	–	4,128
Total undiscounted financial assets	8,986	–	30,407	39,393
Financial liabilities:				
Trade and other creditors	2,395	–	8,450	10,845
Borrowings	23	102	–	125
Lease liabilities	62	–	–	62
Total undiscounted financial liabilities	2,480	102	8,450	11,032
Total net undiscounted financial assets/(liabilities)	6,506	(102)	21,957	28,361

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Liquidity risk (continued)

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

	1 year or less $'000
Company	
2023	
Financial guarantee	169
2022	
Financial guarantee	487

(d) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities. The Group seeks to maintain a natural hedge through the matching of liabilities against assets in the same currency or against the entity's functional currency. Where appropriate, the Group engages in foreign currency forward contracts to reduce exposure from currency fluctuations.

The table below summarised the Group's and Company's exposure to the significant foreign currencies balances at the end of the reporting period.

	USD $'000	**EURO** $'000	**GBP** $'000
Group			
2023			
Trade and other debtors	70	111	–
Trade and other creditors	(7,878)	(125)	(350)
Net borrowings	(1,993)	(1,748)	(1,102)
2022			
Trade and other debtors	177	69	27
Trade and other creditors	(6,004)	(311)	(549)
Net borrowings	(3,479)	(659)	(723)

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) *Foreign currency risk* (continued)

	HKD $'000	SFR $'000	RM $'000
Company			
2023			
Other debtors	6,129	–	39
Other creditors	–	(6,823)	–
2022			
Receivables from subsidiaries	–	–	627
Other debtors	6,274	–	1,941
Other creditors	–	(6,593)	–

The following table demonstrates the sensitivity to a reasonably possible change in the major foreign currencies that the Group is exposed to, with all other variables held constant.

	2023		2022	
	Changes	Profit before tax decrease $'000	Changes	Profit before tax decrease $'000
USD	+5%	(490)	+5%	(465)
EURO	+5%	(88)	+5%	(45)
GBP	+5%	(73)	+5%	(62)

The weakening of the above currencies with the same percentage point changes result in an opposite change to the profit before tax with the same quantum.

28. FINANCIAL INSTRUMENTS

Carrying value of assets and liabilities

The carrying amounts of financial assets and liabilities are as follows:

	Group		Company	
	2023 $'000	**2022** $'000	**2023** $'000	**2022** $'000
Financial assets measured at amortised cost				
Receivables from subsidiaries	–	–	28,585	30,407
Trade debtors	9,900	9,659	–	–
Other debtors	11,791	11,293	10,108	4,858
Cash on hand and at bank	6,190	12,510	3,350	4,128
	27,881	33,462	42,043	39,393
Financial asset carried at fair value through profit or loss				
Derivative financial assets	12	1		
Financial liabilities measured at amortised cost				
Trade and other creditors	15,536	14,894	12,006	10,845
Borrowings	13,524	16,500	93	112
Lease liabilities	13,090	8,917	258	61
	42,150	40,311	12,357	11,018

Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

28. FINANCIAL INSTRUMENTS (continued)

Fair value of assets and liabilities (continued)

(b) Assets and liabilities measured at fair value

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

	Group			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) S$'000	Significant observable inputs other than quoted prices (Level 2) S$'000	Significant unobservable inputs (Level 3) S$'000	Carrying amount S$'000
2023				
Financial assets carried at fair value through profit or loss				
Derivative financial assets	–	12	–	12
2022				
Financial assets carried at fair value through profit or loss				
Derivative financial assets	–	1	–	1

There have been no transfers between Level 1 and Level 2 during the financial years ended 2023 and 2022.

(c) Level 2 fair value measurements

Derivative financial assets/liabilities (forward currency contracts) are valued by reference to current forward exchange rates for contracts with similar maturity profiles.

(d) Assets and liabilities that are not carried at fair value and whose carrying amounts approximate fair values

Management has determined that the carrying amounts of all current financial assets, financial liabilities and borrowings reasonably approximate their fair values because these are either short term in nature or are repriced frequently.

29. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their channel of distribution, and has three reportable operating segments as follows:

i. The Ongoing Retail segment is involved in the operation of retail stores specialising in the retail of consumer fashion wear, accessories, timepieces, beauty, health and wellness products, chocolates and café.

ii. The Distribution segment is involved in the distribution of consumer fashion wear, accessories, home furnishings, timepieces, beauty and health and wellness products.

iii. The Export segment is involved in the export of consumer fashion wear, accessories, timepieces and health and wellness products.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are at terms agreed between parties involved in the transactions.

29. SEGMENT INFORMATION (continued)

Business segments

	Ongoing Retail $'000	Distribution $'000	Export $'000	Corporate and others $'000	Group $'000
2023					
Sales to external consumers	76,094	4,339	6,021	–	86,454
Segment results	5,988	1,283	489	(2,358)	5,402
Interest income					64
Interest expenses from borrowings					(630)
Profit before tax					4,836
Income tax expenses					(1,318)
Net profit for the year					3,518
2022					
Sales to external consumers	69,486	4,574	6,843	–	80,903
Segment results	4,428	928	614	(1,370)	4,600
Interest income					9
Interest expenses from borrowings					(723)
Profit before tax					3,886
Income tax expenses					(954)
Net profit for the year					2,932

29. SEGMENT INFORMATION (continued)

Business segments (continued)

	Ongoing Retail $'000	Distribution $'000	Export $'000	Corporate and others $'000	Group $'000
2023					
Segment assets	46,594	2,635	3,464	13,854	66,547
Investment in associates	–	–	–	16,575	16,575
	46,594	2,635	3,464	30,429	83,122
Unallocated assets					470
Total assets					83,592
Segment liabilities	26,362	1,490	1,371	1,244	30,467
Unallocated liabilities					12,627
Total liabilities					43,094
Capital expenditure	2,066	–	–	29	2,095
Depreciation of furniture, fixtures and equipment	1,202	62	–	82	1,346
Depreciation of right-of-use assets	8,795	–	–	84	8,879
2022					
Segment assets	44,435	2,856	3,687	14,012	64,990
Investment in associates	–	–	–	14,409	14,409
	44,435	2,856	3,687	28,421	79,399
Unallocated assets					420
Total assets					79,819
Segment liabilities	21,628	1,689	1,627	1,246	26,190
Unallocated liabilities					15,119
Total liabilities					41,309
Capital expenditure	20	–	–	46	66
Depreciation of furniture, fixtures and equipment	1,665	96	–	78	1,839
Depreciation of right-of-use assets	10,251	–	–	77	10,328
Impairment of furniture, fixtures and equipment and right-of-use assets	40	–	–	–	40
Reversal for impairment of investment in associates	–	–	–	(469)	(469)

29. SEGMENT INFORMATION (continued)

Business segments (continued)

Assets and liabilities which are common and cannot be meaningfully allocated to the business segments are presented as unallocated assets and liabilities, as shown in the table below.

	2023 $'000	2022 $'000
Unallocated assets		
Deferred tax assets	470	407
Tax recoverable	–	13
	470	420
Unallocated liabilities		
Bank borrowings (excluding bank overdrafts)	12,480	14,825
Provision for taxation	147	294
	12,627	15,119

Geographical segments

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

	Southeast Asia $'000	Others $'000	Group $'000
2023			
Revenue	86,454	–	86,454
Other geographical information:			
Non-current assets	31,978	2	31,980
Capital expenditure	2,094	1	2,095
2022			
Revenue	80,751	152	80,903
Other geographical information:			
Non-current assets	25,451	1	25,452
Capital expenditure	64	2	66

30. CONTINGENT LIABILITIES, UNSECURED

The Company has undertaken to provide financial support to certain subsidiaries for deficiencies in their shareholders' funds and to extend adequate funding to meet their operational needs.

The accrual for financial undertaking is disclosed in Note 14.

31. COMMITMENTS

(i) As at 30 June 2023 and 2022, the Group has entered into several licensing and distribution agreements with its principals. These agreements stipulate certain levels of purchases and advertising expenditure in accordance with the agreed terms and conditions.

(ii) As at 30 June 2023, the Group has outstanding forward contracts with settlement dates within the next one year of US$2,135,000 (2022: US$45,000).

(iii) The Group has various lease contracts that have not yet commenced as at 30 June 2023 and 2022. The future lease payments for these non-cancellable lease contracts are $328,000 (2022: $278,000) not later than one year and $1,219,000 (2022: $918,000 later than one year but not later than five years.

32. RELATED PARTY TRANSACTIONS DISCLOSURE

In addition to related party transactions disclosed in other notes to the financial statements, during the financial year, the Group has entered into transactions with related parties on terms agreed between the parties, as shown below:

	2023 $'000	2022 $'000
Sale of goods to an associate	5,591	6,257
Market support and administrative service income from associate	265	265
Directors' fees		
– Directors of the Company	180	205
Remuneration of key management personnel comprising short-term employee benefits:		
– Directors of the Company	1,074	910
– Other Directors of subsidiaries	779	679
– Non Director	145	200
	1,998	1,789

Provident fund contributions of $79,000 (2022: $70,000) are included in remuneration of key management personnel.

33. CAPITAL MANAGEMENT

The Group aims to maintain healthy capital ratios, using gearing ratio and return on equity, in order to support its business and maximise shareholders' value, while at the same time maintaining an appropriate dividend policy to reward its shareholders.

The Group manages its capital structure and make 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 objectives, policies or processes during the financial years ended 30 June 2023 and 30 June 2022.

The Group monitors capital using a gearing ratio and return on equity. Gearing ratio is computed as net debt divided by total equity attributable to owners of the Company while return on equity is computed as net profit attributable to owners of the Company for the financial year divided by the total equity attributable to owners of the Company. Net debt is calculated as borrowings less cash on hand and at bank.

The capital ratios of the Group for the financial years ended are as follow:

	Group	
	2023	**2022**
	$'000	$'000
Borrowings	13,524	16,500
Less: cash on hand and at bank	(6,190)	(12,510)
	7,334	3,990
Equity attributable to equity holders of the parent	40,531	38,529
Net profit attributable to equity holders of the parent for the financial year	3,532	2,975
Gearing ratio	18.1%	10.4%
Return on equity	8.7%	7.7%

34. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on 28 September 2023.

STATISTICS OF SHAREHOLDINGS

As at 15 September 2023

Number of Equity Securities	:	1,187,313,903
Number of Treasury Shares	:	Nil
Subsidiary Holdings	:	Nil
Class of Equity Shares:	:	Ordinary shares
Voting Rights:	:	One vote per share (excluding treasury shares and subsidiary holdings)

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	46	1.06	1,500	0.00
100 – 1,000	699	16.06	672,502	0.06
1,001 – 10,000	1,696	38.97	8,772,459	0.74
10,001 – 1,000,000	1,833	42.12	218,035,456	18.36
1,000,001 AND ABOVE	78	1.79	959,831,986	80.84
TOTAL	**4,352**	**100.00**	**1,187,313,903**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	DBS NOMINEES (PRIVATE) LIMITED	242,983,230	20.46
2	WESTERN PROPERTIES PTE LTD	198,540,000	16.72
3	LIM ENG HOCK	109,024,320	9.18
4	RAFFLES INVESTMENTS PRIVATE LIMITED	99,648,000	8.39
5	BENJAMIN ELI MANASSEH	31,710,050	2.67
6	UOB KAY HIAN PRIVATE LIMITED	21,766,000	1.83
7	LIM YEW HOE	19,313,700	1.63
8	PHILLIP SECURITIES PTE LTD	19,203,835	1.62
9	LIM & TAN SECURITIES PTE LTD	15,557,500	1.31
10	HSBC (SINGAPORE) NOMINEES PTE LTD	11,566,000	0.97
11	LIM CHIN TONG	10,978,500	0.92
12	CITIBANK NOMINEES SINGAPORE PTE LTD	8,949,151	0.75
13	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	7,851,200	0.66
14	DB NOMINEES (SINGAPORE) PTE LTD	6,729,000	0.57
15	QIU YU	6,500,000	0.55
16	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	6,442,100	0.54
17	KGI SECURITIES (SINGAPORE) PTE. LTD	6,280,000	0.53
18	LIM CHIN HOCK	6,100,000	0.51
19	IFAST FINANCIAL PTE. LTD.	5,004,400	0.42
20	RAFFLES NOMINEES (PTE.) LIMITED	4,885,460	0.41
	TOTAL	**839,032,446**	**70.64**

SUBSTANTIAL SHAREHOLDERS AS RECORDED IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

NO.	NAME	DIRECT INTEREST	%	DEEMED INTEREST	%
1	Segulah Pte Ltd	218,367,670	18.39	–	–
2	Western Properties Pte Ltd	198,540,000	16.72	–	–
3	Lim Eng Hock	109,024,320	9.18	–	–
4	Raffles Investments Private Limited	99,648,000	8.39	–	–
5	Vistra Trust (Singapore) Pte. Limited[@]	–	–	218,367,670	18.39
6	Tan Chin Tuan Pte. Ltd.[#]	–	–	99,648,000	8.39
7	Aequitas Pte Ltd[#]	–	–	99,648,000	8.39
8	Tecity Pte Ltd[#]	–	–	99,648,000	8.39
9	Dr Tan Kheng Lian[#]	–	–	99,648,000	8.39
10	Ng Chee Tat Philip[^]	–	–	199,520,000	16.80

@ Vistra Trust (Singapore) Pte. Limited is the trustee of Frank And Mavis Benjamin Trust (the "Trust"). Segulah Pte Ltd is the investment holding vehicle of the Trust holding the 218,367,670 shares in the Company.

Tan Chin Tuan Pte. Ltd., Aequitas Pte Ltd, Tecity Pte Ltd and Dr Tan Kheng Lian are deemed to be interested in the 99,648,000 shares in the Company held by Raffles Investments Private Limited.

^ Ng Chee Tat Philip has a deemed interest in an aggregate of 199,520,000 shares in the Company as follows:

(a) Goodview Properties Pte Ltd has a direct interest in the 980,000 shares in the Company. The Estate of Ng Teng Fong (the "Estate") has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd. Mr Ng Chee Tat Philip is a beneficiary of the Estate and is therefore deemed to be interested in the 980,000 shares in the Company in which Goodview Properties Pte Ltd has an interest.

(b) Western Properties Pte Ltd has a direct interest in the 198,540,000 shares in the Company. Mr Ng Chee Tat Philip has a controlling interest in Western Properties Pte Ltd and is therefore deemed to be interested in the 198,540,000 shares in the Company in which Western Properties Pte Ltd has an interest.

PERCENTAGE OF SHAREHOLDINGS IN PUBLIC'S HANDS

Based on the information available to the Company, as at 15 September 2023, approximately 44.53% of the Company's shares were held in the hands of the public. Hence, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited - Section B: Rules of the Catalist which states that an issuer must ensure that at least 10% of its ordinary shares is at all times held by the public.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **F J Benjamin Holdings Ltd** (the "**Company**") will be held at Function Room Antica I & II, Orchard Rendezvous Hotel, 1 Tanglin Road, Singapore 247905 on Thursday, 26 October 2023 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2023, together with the Independent Auditor's Report thereon. **(Resolution 1)**

2. To re-elect Mr Eli Manasseh Benjamin who will be retiring pursuant to Article 102 of the Company's Constitution and who, being eligible, offer himself for re-election as a Director of the Company. **(Resolution 2)**

   [See Explanatory Notes below]

3. To re-elect Mr Liew Choon Wei who will be retiring pursuant to Rule 720(4) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist and who, being eligible, offer himself for re-election as a Director of the Company. **(Resolution 3)**

   [See Explanatory Notes below]

4. To approve the payment of Directors' fees of up to S$160,000 for the financial year ending 30 June 2024 (FY2023: up to S$200,000). **(Resolution 4)**

5. To re-appoint Messrs Ernst & Young LLP as the Independent Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following as Ordinary Resolution, with or without any modifications:

7. **Authority to allot and issue shares**

   That pursuant to Section 161 of the Companies Act 1967 of Singapore ("**Companies Act**") and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual: Rules of Catalist (the "**Catalist Rules**"), the Directors of the Company be authorised to:

   (a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of bonus issue, rights issue or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to, the creation and issue of (as well as adjustments to) securities, options, warrants, debentures or other Instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) ("**Issued Shares**"), of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to the existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) does not exceed 50% of the total number of Issued Shares;

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) that may be issued under sub-paragraph (1) above, the percentage of Issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;

(b) (where applicable) new Shares arising from exercising of share options or vesting of share awards, provided that such share options or share awards (as the case may be), were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares,

adjustments in accordance with sub-paragraph 2(a) or 2(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution for the time being of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force (i) until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier; or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.

[See Explanatory Notes below] **(Resolution 6)**

By Order of the Board

Karen Chong Mee Keng
Company Secretary
Singapore, 11 October 2023

Explanatory Notes:

Ordinary Resolution 2 in item 2 above is to re-elect Mr Eli Manasseh Benjamin who will be retiring pursuant to Article 102 of the Constitution of the Company. Mr Eli Manasseh Benjamin will, upon re-election as a Director of the Company, remain as the Executive Chairman of the Company.

Ordinary Resolution 3 in item 3 above is to re-elect Mr Liew Choon Wei who will be retiring pursuant to Rule 720(4) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist. Mr Liew Choon Wei will, upon re-election as a Director of the Company, remain as Chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee of the Company. The Board of Directors of the Company considers Mr Liew Choon Wei to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Please refer to sections entitled "Board of Directors", "Directors' Statement" and "Information on Directors seeking for Re-election" in the Company's Annual Report 2023 for the detailed information on Mr Eli Manasseh Benjamin and Mr Liew Choon Wei.

Ordinary Resolution 6 in item 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting ("**AGM**" or the "**Meeting**") of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a *pro-rata* basis to shareholders of the Company.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notes:

1. The AGM will be held, in a wholly physical format, at Function Room Antica I & II, Orchard Rendezvous Hotel, 1 Tanglin Road, Singapore 247905 on Thursday, 26 October 2023 at 11.00 a.m.. **There will be no option for shareholders to participate virtually**.

   Members may participate in the AGM by:

   a) attending the AGM in person;

   b) voting at the AGM (i) themselves; or (ii) through their duly appointed proxy(ies); and/or

   c) submitting questions in advance of, or at, the AGM,

   details as set out in the paragraphs below.

2. A printed copy of the Company's Annual Report 2023, which contains the Notice of AGM and the instrument appointing a proxy or proxies ("**Proxy Form**"), will be sent by post to members of the Company. These documents are also available for access and download from the Company's corporate website at the URL https://fjbenjamin.com/pages/corporate-announcements and the SGX's website at the URL https://www.sgx.com/securities/company-announcements.

3. **Voting, or Submission of Proxy Form to Vote, at the AGM:**

   a) A member who is not a relevant intermediary is entitled to attend and appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the Proxy Form.

   b) A member who is a relevant intermediary is entitled to attend and appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act.

   c) A member (whether individual or corporate) who wishes to exercise their votes can either vote on the resolutions to be tabled for approval at the AGM in person or appointing proxy(ies) or the Chairman of the Meeting as proxy to cast votes on his/her/its behalf. In appointing the Chairman of the Meeting as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

d) A proxy need not be a member of the Company.

e) A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it in the following manner:

i) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

ii) by scanning and sending it via email to AGM.TeamE@boardroomlimited.com,

as soon as possible, in either case, at least forty-eight (48) hours before the time fixed for the AGM i.e. **no later than 11.00 a.m. on 24 October 2023**.

Members are strongly encouraged to submit completed Proxy Forms electronically via email.

f) Completion and return of the Proxy Form shall not preclude a member from attending, speaking and voting at the AGM if he/she so wishes. Any appointment of the proxy(ies) for the AGM shall be deemed to be revoked if the member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the AGM.

g) Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including Central Provident Fund ("**CPF**") members and/or Supplementary Retirement Scheme ("**SRS**") investors and holders under depository agents) and who wish to vote at the AGM or exercise their votes by appointing the Chairman of the Meeting as proxy should approach their respective relevant intermediaries (including their respective CPF Agent Banks, SRS Operators or depository agents) to submit their voting instructions in the Proxy Forms **by 5.00 p.m. on 16 October 2023**.

h) A depositor shall not be regarded as a member of the Company entitled to attend, speak and vote at the AGM unless his/her name appears on the Depository Register not less than seventy-two (72) hours before the time fixed for the AGM.

4. **Submission of Questions:**

a) Members can submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM, at the AGM itself.

b) Members can also submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM **by 11.00 a.m. on 19 October 2023** (the "**Cut-Off Time**") in the following manner:

i) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

ii) via email to AGM.TeamE@boardroomlimited.com.

c) Members who submit questions in advance of the AGM should provide their full name, address, contact number, email, shareholding type and number of Shares and the manner of which they hold such Shares for verification purposes.

d) The Company will endeavour to address all substantial and relevant questions related to the resolutions to be tabled for approval at the AGM received from shareholders before or at the AGM. Responses to substantial and relevant questions received from shareholders by the Cut-Off Time will be posted on the SGXNet and the Company's corporate website **by 11.00 a.m. on 22 October 2023,** being at least forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Form. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the Cut-Off Time which have not already been addressed prior to the AGM, as well as those substantial and relevant questions received at the AGM, at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

e) The Company will, within one (1) month after the date of the AGM, publish the minutes of the AGM on SGXNet and the Company's corporate website, and the minutes will include the responses to substantial and relevant questions received from shareholders which are addressed during the AGM.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing proxy(ies) or the Chairman of the Meeting as proxy to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of proxy(ies) or the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

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*This notice has been prepared by F J Benjamin Holdings Ltd (the "**Company**") and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Mr Eli Manasseh Benjamin ("**Mr Benjamin**") and Mr Liew Choon Wei ("**Mr Liew**") are the retiring Directors ("**Retiring Directors**") of F J Benjamin Holdings Ltd (the "**Company**") seeking for re-election at the forthcoming annual general meeting of the Company on 26 October 2023.

Pursuant to Rule 720(5) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the information relating to the Retiring Directors, as set out in Appendix 7F of the Catalist Rules is as follows:

Name of Retiring Director	:	**Mr Eli Manasseh Benjamin**	**Mr Liew Choon Wei**
Date of Appointment	:	26 July 1973	29 November 2016
Age	:	73	69
Country of Principal Residence	:	Singapore	Singapore
Date of last re-appointment (if applicable)	:	27 October 2020	27 October 2020
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	:	Mr Benjamin's re-election as a Director of the Company was recommended by the NC and approved by the Board. His deep insight and knowledge of the Group's business and strategies contribute to the core competency of the Board, taking into consideration the diversity of skillsets on the Board.	Mr Liew's re-election as a Director of the Company was recommended by the NC and approved by the Board. His audit background and related industry experience contribute to the strength and overall quality of the Board, taking into consideration the diversity of skillsets on the Board.
Whether appointment is executive, and if so, the area of responsibility	:	Yes, executive. He formulates the Group's strategy for growth and future expansion into new markets. He is also responsible for defining the overall strategy and vision of the Group, and oversees developmental activities to create long-term growth drivers and enhance shareholder value.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	:	Executive Chairman	Independent Non-Executive Director Chairman of the Remuneration Committee, Member of the Audit Committee and Nominating Committee

Name of Retiring Director	:	**Mr Eli Manasseh Benjamin**	**Mr Liew Choon Wei**
Professional qualifications	:	None	Retired Fellow Member of Association of Chartered Certified Accountants, UK. Fellow Member of Institute of Singapore Chartered Accountants
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	:	(i) Mr Benjamin is the uncle of Mr Douglas Jackie Benjamin, who is an Executive Director of the Company and Chief Executive Officer of the Group. (ii) Mr Benjamin is a shareholder of the Company, details as set out below. (iii) Mr Benjamin is a director on the boards of the subsidiaries of the Company, details as set out below.	No
Conflict of interest (including any competing business)	:	No	No
Working experience and occupation(s) during the past 10 years	:	Executive Director of the Company	Year 2014 to present: A director of various entities, details as set out below. July 1990 to March 2013: Audit Partner of Ernst & Young LLP Singapore
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules has been submitted to the listed issuer	:	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	:	Yes	No
Shareholding Details	:	31,710,050 ordinary shares	N/A

INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Name of Retiring Director	:	Mr Eli Manasseh Benjamin	Mr Liew Choon Wei
Other Principal Commitments Including Directorships:			
Past (for the last 5 years)		None	Directorship: – Frasers Hospitality Asset Management Pte Ltd – Frasers Hospitality Trust Management Pte Ltd – Halycon Agri Corporation Limited
Present		Directorship: – F J Benjamin (Singapore) Pte Ltd – Nootrees Pte Ltd – Fashion Dynamics International Pte Ltd – F J Benjamin Concepts Pte Ltd – F J Benjamin Ideas Pte Ltd – F.J.B. Investment Pte Ltd – F J Benjamin Lifestyle Pte Ltd – Fashion Dynamics Singapore Pte Ltd – F J Benjamin (M) Sdn. Bhd. – F J Benjamin Lifestyle Sdn. Bhd. – F J Benjamin (HK) Limited – Ferro Designs Limited – F J Benjamin Italy S.R.L. – F. J. Benjamin Fashions (U.S.), Inc. – The Luxe Concierge Pte Ltd – Philip D Izaac Pte Ltd	Directorship: – The Hour Glass Limited
Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	:	No	No

Name of Retiring Director	:	**Mr Eli Manasseh Benjamin**	**Mr Liew Choon Wei**
Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	:	No	No
Whether there is any unsatisfied judgement against him?	:	No	No
Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	:	No	No
Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	:	No	No

INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Name of Retiring Director	:	Mr Eli Manasseh Benjamin	Mr Liew Choon Wei
Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	:	No	No
Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	:	No	No
Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	:	No	No
Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	:	No	No

Name of Retiring Director	:	Mr Eli Manasseh Benjamin	Mr Liew Choon Wei
Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-			
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	:	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	:	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	:	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	:	No	No
Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	:	No	No

INFORMATION ON DIRECTORS SEEKING FOR RE-ELECTION

Name of Retiring Director	:	Mr Eli Manasseh Benjamin	Mr Liew Choon Wei
Disclosure applicable to the appointment of Director only			
Any prior experience as a director of an listed issuer listed on the Exchange? If yes, please provide details of prior experience. If No, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable)	:	Not applicable. This is re-election of a Director of the Company.	Not applicable. This is re-election of a Director of the Company.

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F J BENJAMIN HOLDINGS LTD

(Company Registration No.: 197301125N)
(Incorporated in the Republic of Singapore)

PROXY FORM

ANNUAL GENERAL MEETING

IMPORTANT:
1. The Annual General Meeting will be held, in a wholly physical format, at Function Room Antica I & II, Orchard Rendezvous Hotel, 1 Tanglin Road, Singapore 247905 on Thursday, 26 October 2023 at 11.00 a.m.. There will be no option for shareholders to participate virtually.
2. A printed copy of the Company's Annual Report 2023, which contains the Notice of Annual General Meeting dated 11 October 2023 and this proxy form, has been sent by post to members of the Company. These documents have also been made available on the Company's corporate website at the URL https://fjbenjamin.com/pages/corporate-announcements and the SGX's website at the URL https://www.sgx.com/securities/company-announcements.
3. A relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the Annual General Meeting (please see note 4 for the definition of "**relevant intermediary**").
4. The Chairman and proxy need not be a member of the Company.
5. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 October 2023.
6. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of proxy or the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting.
7. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF members and/or SRS investors who hold shares through CPF Agent Banks and/or SRS Operators.

*I/We, ______________________________ (Name) ____________ (NRIC/Passport/Company Registration No.)
of ____ (Address)
being a *member/members of **F J Benjamin Holdings Ltd** (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	**%**
Address			

or failing the person, or either or both persons referred to above, the Chairman of the Meeting as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the Annual General Meeting ("**AGM**" or the "**Meeting**") of the Company to be held at Function Room Antica I & II, Orchard Rendezvous Hotel, 1 Tanglin Road, Singapore 247905 on **Thursday, 26 October 2023 at 11.00 a.m**. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against or abstain the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion.

All resolutions put to the vote at the Meeting shall be conducted by poll.

No.	Resolutions Relating to:	Number of Votes For(1)	Number of Votes Against(1)	Number of Votes Abstain(1)
ORDINARY BUSINESS:				
1	Adoption of the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2023, together with the Independent Auditor's Report thereon			
2	Re-election of Mr Eli Manasseh Benjamin as a Director of the Company			
3	Re-election of Mr Liew Choon Wei as a Director of the Company			
4	Approval of Directors' fees of up to S$160,000 for the financial year ending 30 June 2024			
5	Re-appointment of Messrs Ernst & Young LLP as Independent Auditor of the Company and to authorise the Directors of the Company to fix their remuneration			
SPECIAL BUSINESS:				
6	Authority to allot and issue shares			

* *Delete as appropriate*
(1) *If you wish to exercise all your votes For or Against or Abstain the relevant resolution, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark "Abstain", you are directing your proxy not to vote.*

Dated this ________ day ______________ of 2023

Total number of shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument appointing a proxy or proxies ("**Proxy Form**") shall be deemed to relate to all the shares held by you.

2. A member of the Company entitled to attend, speak and vote at the Meeting of the Company is entitled to appoint one or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. A member who is a relevant intermediary entitled to attend, speak and vote at the Meeting is entitled to appoint more than two (2) proxies to attend, speak and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.

   "**Relevant intermediary**" means:

   (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. Investors who hold their shares through relevant intermediaries as defined in Section 181 of the Companies Act 1967 of Singapore (including Central Provident Fund ("**CPF**") members and/or Supplementary Retirement Scheme ("**SRS**") investors and holders under depository agents) and who wish to vote at the AGM or exercise their votes by appointing the Chairman of the Meeting as proxy should approach their respective relevant intermediaries (including their respective CPF Agent Banks, SRS Operators or depository agents) to submit their voting instructions in the Proxy Forms **by 5.00 p.m. on 16 October 2023**.

6. Completion and return of this Proxy Form shall not preclude a member from attending, speaking and voting at the Meeting if he/she so wishes. Any appointment of a proxy or proxies for the Meeting shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the Meeting.

7. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it in the following manner:

   i) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   ii) by scanning and sending it via email to AGM.TeamE@boardroomlimited.com,

   as soon as possible, in either case, at least forty-eight (48) hours before the time fixed for the AGM i.e. **no later than 11.00 a.m. on 24 October 2023**.

   The Proxy Form, Notice of AGM and Annual Report 2023 are also available for download from the Company's corporate website at the URL https://fjbenjamin.com/pages/corporate-announcements and SGX's website at the URL https://www.sgx.com/securities/company-announcements.

   Members are strongly encouraged to submit completed Proxy Forms electronically via email.

8. This Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.

9. Where this Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form shall be treated as invalid.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 October 2023.

GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

OPERATIONS DIRECTORY

SINGAPORE

F J BENJAMIN (SINGAPORE) PTE LTD
FASHION DYNAMICS SINGAPORE PTE LTD

1 Jalan Kilang Timor, #07-01/02
Pacific Tech Centre
Singapore 159303
Tel: (65) 6737 0155
Fax: (65) 6235 9605

MALAYSIA

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