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(Incorporated in the Republic of Singapore on 11 January 2018)  
 (Company Registration No: 201801590R)

## VARIANCES BETWEEN THE UNAUDITED FINANCIAL STATEMENTS AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

The board of directors (“**Directors**” or “**Board**”) of ST Group Food Industries Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refer to the announcement on the unaudited condensed interim consolidated financial statements for the six months and full year ended 30 June (“**FY**”) 2022 made by the Company on 25 August 2022 (the “**FY2022 Results Announcement**”).

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the FY2022 Results Announcement and references therein.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that subsequent to the release of the FY2022 Results Announcement, certain adjustments and reclassifications were made to the unaudited condensed consolidated financial statements for FY2022 following the finalisation of the audit by the Company’s external auditor.

The material variances between the unaudited consolidated financial statements and the audited consolidated financial statements for FY2022 are as set out below:

Group	Audited (AUD)	Unaudited (AUD)	Variances (AUD)	%	Note
<b><u>CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME</u></b>					
Impairment losses on right-of-use assets	(532,157)	-	(532,157)	NM	(1)
Loss before tax	(1,065,998)	(534,295)	(531,703)	99.5	(1)
Tax (expense)/credit	(106,151)	340,661	(446,812)	NM	(2)
Loss from continuing operations, net of tax	(1,172,149)	(193,634)	(978,515)	NM	(3)
Profit/(loss) from discontinued operations, net of tax	252,436	(145,481)	397,917	NM	(4)
Loss for the year	(919,713)	(339,115)	(580,598)	NM	(5)
Total comprehensive loss for the year	(960,958)	(375,524)	(585,434)	NM	(5)
<b>Profit/(loss) attributable to:</b>					
Equity holders of the Company	367,787	528,212	(160,425)	(30.4)	(5)
Non-controlling interest	(1,287,500)	(867,327)	(420,173)	48.4	(5)
<b>Profit attributable to equity holders of the Company relates to:</b>					
Profit from continuing operations	81,457	559,076	(477,619)	(85.4)	(3)
Profit/(loss) from discontinued operations	286,330	(30,864)	317,194	NM	(4)
<b>Total comprehensive income/(loss) attributable to:</b>					
Equity holders of the Company	326,542	491,803	(165,261)	(33.6)	(5)
Non-controlling interests	(1,287,500)	(867,327)	(420,173)	48.4	(5)

Group	Audited (AUD)	Unaudited (AUD)	Variances		Note
			(AUD)	%	
<b><u>Earnings per share for profit</u></b>					
<b><u>attributable to equity holders of</u></b>					
<b><u>the Company (cents per share)</u></b>					
<b>From continuing and discontinued</b>					
<b>operations</b>					
Basic and diluted	0.15	0.22	(0.07)	(31.8)	(5)
<b>From continuing operations</b>					
Basic and diluted	0.03	0.23	(0.20)	(87.0)	(3)
<b>From discontinued operations</b>					
Basic and diluted	0.12	(0.01)	0.13	NM	(4)
<b><u>STATEMENTS OF FINANCIAL</u></b>					
<b><u>POSITION</u></b>					
<b>Non-current assets</b>					
Right-of-use assets	20,623,813	17,408,639	3,215,174	18.5	(6)
Investment in joint venture	282,816	-	282,816	NM	(7)
Deferred tax asset	3,091,395	3,538,206	(446,811)	(12.6)	(2)
<b>Current assets</b>					
Trade and other receivables	4,805,817	4,905,766	(99,949)	(2.0)	(7)
<b>Equity</b>					
Other reserves	(40,641,083)	(40,227,327)	(413,756)	1.0	(5)
Retained earnings	3,454,129	4,007,633	(553,504)	(13.8)	(5)
Non-controlling interests	(340,508)	(329,255)	(11,253)	(3.4)	(5)
<b>Non-current liabilities</b>					
Lease liabilities	20,027,664	16,286,986	3,740,678	23.0	(6)
<b>Current liabilities</b>					
Trade and other payables	7,010,812	6,810,814	199,998	2.9	(7)
<b><u>CONSOLIDATED STATEMENT OF</u></b>					
<b><u>CASH FLOWS</u></b>					
<b>Cash flows from operating activities</b>					
Loss before tax from continuing					
operations	(1,065,998)	(534,295)	(531,703)	99.5	(1)
Profit/(loss) before tax from					
discontinued operations	252,436	(145,481)	397,917	NM	(4)
Impairment losses on right-of-use					
assets	532,157	-	532,157	NM	(1)
(Gain)/loss on disposal of discontinued					
operations	(252,436)	145,481	(397,917)	NM	(4)
Receivables and contract assets	(1,035,771)	(403,426)	(632,345)	NM	(8)
<b>Cash flows from investing activities</b>					
Subscription money paid for investment					
in joint venture	(99,950)	-	(99,950)	NM	(7)
<b>Cash flows from financing activities</b>					
Upfront payment for right-of-use assets	(16,786)	-	(16,786)	NM	(9)
Lease incentives received	5,732	(743,349)	749,081	NM	(10)

NM: Not meaningful

Explanatory notes for the material variances:

- (1) Due to additional impairment losses on the right-of-use assets of non-performing outlets amounting to A\$0.5 million that were recognised to take into consideration the revised estimations of the recovery in business conditions from the COVID-19 pandemic in view of recent unfavourable global economic outlook.
- (2) Due to reversal of deferred tax assets recognised for non-performing outlets of A\$0.4 million. Deferred tax assets are mainly in relation to temporary differences in the tax bases of leases, provisions and tax losses as compared to the carrying amounts in the Group's financial statements and are recognised to the extent that it is probable that future taxable profit will be available against which the deferred tax assets can be utilised. In light of the revised estimations of the recovery in business conditions as described in (1) above, it has been assessed that the recoverability of an amount of A\$0.4 million in deferred tax assets appear unlikely and, hence, the reversal.
- (3) Due to adjustments (1) and (2) described above.
- (4) Due to reclassification of capital reserves relating to NNCFI disposal group of A\$0.4 million to retained earnings. Such reserves arose from equity transactions amongst shareholders of NNCFI disposal group that were sold to the Purchasers and therefore should not be included in arriving at the gain on disposal of discontinued operations and profit from discontinued operations of the same amount. The capital reserves relating to the NNCFI disposal group has instead been adjusted for through retained earnings in the consolidated statement of changes in equity.
- (5) Due to adjustments (1), (2) and (4) described above.
- (6) Due to recognition of lease extension of 120 and 130 Turner Street, Port Melbourne of A\$3.7 million, offset by additional impairment losses recognised on the right-of-use assets for non-performing outlets of A\$0.5 million as described in (1) above. In March 2022, the lease of the said property was extended for a further seven years ending October 2031.
- (7) Due to recognition of commitment of a total amount of A\$0.3 million for an investment in a joint venture company, TST (Aust) Pty Ltd, of which A\$0.1 million was paid in FY2022 while the remaining amount of A\$0.2 million was unpaid as at 30 June 2022. The A\$0.1 million paid in FY2022 has been reclassified from trade and other receivables to investment in joint venture and the unpaid amount of A\$0.2 million has been recognised as a current liability under trade and other payables.  
  
TST (Aust) Pty Ltd has not commenced operations as at 30 June 2022. The intended principal activity of TST (Aust) Pty Ltd is the investment holding of companies involved in the operations of supermarkets. Please refer to the Company's announcement dated 25 August 2022 pursuant to Rule 706A of the Catalyst Rules.
- (8) Due to reclassification of non-cash rent receivable in relation to a new sub-lease entered into during FY2022 as described in (10) below from cash outflow from financing activities under "Lease incentives received" to cash outflow from operating activities under "Receivables and contract assets", and partially offset by the recognition of payment A\$0.1 million in respect of the joint venture company as explained in (7) above.
- (9) Due to reclassification of a cash deposit payment for leasing of a vehicle from "Lease incentives received" to "Upfront payment for right-of-use assets". Please see (10) below.

- (10) Due to reclassification of a cash deposit payment explained in (9) above and a non-cash rent receivable in relation to a new sub-lease entered into during FY2022 as described in (8) above, which was wrongly classified as cash outflow from financing activities under “Lease incentives received”. This reclassification has no financial impact on the consolidated statements of comprehensive income and statements of financial position.

**BY ORDER OF THE BOARD**

Saw Tatt Ghee  
Executive Chairman and CEO

14 October 2022

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*This announcement has been prepared by the Company and has been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “Sponsor”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst.*

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

*The contact person for the Sponsor is Mr David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*