

NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400571K)

DIFFERENCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

The board of directors (the “**Board**”) of New Silkroutes Group Limited (the “**Company**”) refers to its unaudited full year financial results announcement for the 12-month period ended 30 June 2020 (“**FY2020**”) released via SGXNET on 27 August 2020 (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(6) of the Listing Manual, the Board wishes to highlight and clarify the material differences between the Unaudited Financial Statements and the audited financial statements for FY2020 contained in the Annual Report. The material differences and the reasons for such material differences are set out in the explanatory notes below.

	As per Unaudited Financial Statements	As per Audited Financial Statements	Variance	Note
	US\$'000	US\$'000	US\$'000	
Consolidated Statement of Profit or Loss and Other Comprehensive income				
Other operating expenses	(13,710)	(21,022)	7,312	(i), (ii) & (iii)
Finance costs	(3,029)	(2,768)	(261)	(iii)
Consolidated Statement of Financial Position				
Non-current assets				
Long-term receivables	3,565	1,751	(1,814)	(ii)
Current assets				
Trade and other receivables	20,949	16,993	(3,956)	(ii)
Prepayments	858	597	(261)	(iv)
Equity				
Accumulated losses	(38,780)	(45,831)	7,051	(i), (ii) & (iii)
Non-current liabilities				
Borrowings	15,113	14,906	(207)	(iv)
Other payables	3,596	4,877	1,281	(i)
Current liabilities				
Borrowings	12,509	12,455	(54)	(iv)

Explanatory Notes for the material variances:

- (i) Adjustment of US\$1,281,000 on present value of the call and put option due to the acquisition of medical clinics.
- (ii) Provision of expected credit loss of US\$1,814,000 on the long-term receivables and US\$3,956,000 on the trade and other receivables.

(iii) Reclassification of :

- US\$270,300 interest on pre-sale profits of Shanghai Fengwei from finance costs to other operating expenses.
- US\$9,697 transaction cost incurred on lease financing from other operating expenses to finance costs.

(iv) Reclassification of transaction cost of US\$261,804 incurred on lease financing from prepayment to lease amortisation.

BY ORDER OF THE BOARD

Ong Beng Hong
Company Secretary

15 October 2020