#### **AXINGTON INC.**

(Company Registration No.: LL12218) (A Company incorporated under the Labuan Companies Act 1990, Malaysia)

# MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Board of Directors (the "**Board**") of Axington Inc. (the "**Company**", together with its subsidiaries, collectively the "**Group**") refers to the unaudited full year financial statements announcement for the financial year ended 31 December 2023 ("**FY2023**") released by the Company on 28 February 2024 ("**Announcement**").

All capitalised terms in this announcement shall have the same meanings as ascribed to them in the Announcement unless otherwise defined.

Pursuant to Rule 704 (5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Board wishes to highlight that the management of the Company has adopted certain material adjustments and reclassifications proposed by the external auditor to the unaudited consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows for FY2023, following the finalisation of the audit. The details and explanations of the material variances are set out in Appendix A as annexed hereto.

Shareholders of the Company are advised to read the audited financial statements of the Group in conjunction with the Independent Auditor's Report as set out in the Company's annual report for FY2023 to be released on SGXNet in due course.

By Order of the Board

Ang Chiang Meng Executive Director 4 April 2024

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the SGX-ST.

This announcement has not been examined or approved by the SGX-ST and 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. Joseph Au - Registered Professional, 36 Robinson Road, #10-06, City House, Singapore 068877, sponsor@rhtgoc.com.

## APPENDIX A

# 1) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Gro	-		
	Twelve Mon			
	31-Dec-23	31-Dec-23	Variance	Note
	(Unaudited)	(Audited)		
	S\$'000	S\$'000	%	
Other income	6	16	>100%	(a)
Expenses				
- Employee benefits expense	(324)	(324)	-	
- Other expenses	(1,094)	(1,112)	N.M	
Total expenses	(1,418)	(1,420)		
Loss after taxation from continuing operations	(1,412)	(1,420)		
Discontinued Operations				
Net loss for the period from discontinued operations, net of $\ensuremath{tax}$	-	(8)	100%	(b)
Loss for the year	(1,412)	(1,428)	=	
Other comprehensive income after tax: Items that may be reclassified subsequently to profit or loss				
Currency translation differences	-	1	N.M	
Foreign currency translation differences reclassified to profit or loss on disposal of a subsidiary	-	(2)	N.M	
Other comprehensive income for the year, net of tax	-	(1)		
Total comprehensive loss for the year	(1,412)	(1,429)	:	
Profit/(Loss) attributable to:				
Owners of the Company	(1,415)	(1,432)	N.M	
Non-controlling interests	3	4	N.M	
	(1,412)	(1,428)		
Total comprehensive income/(loss) attributable to:				
	(1,415)	(1,433)	N.M	
Owners of the Company	(1,110)			
• • • •	3	4	N.M	

## 2) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31-Dec-23    31-Dec-23 <t< th=""><th>,</th><th colspan="3">Group</th><th></th><th>Com</th><th></th><th></th></t<>	,	Group				Com			
(Unaudited) \$\$'000    (Audited) \$\$'000    (Unaudited) \$\$'000    (Audited) \$\$'000    %      Current lassets    163    163    -    620    620    -    620    620    -						-	-		
S\$000    S\$000    %    S\$000    %      ASSETS    Current assets    100%    (c)    -    40    100%    (c)      Cash and bank deposits    163    163    -    163    163    -      Restricted deposit    620    620    -    620    620    -      Prepayment    1    -    N.M    1    -    N.M      Total assets    784    823    784    823    -      Control liabilities    603    648    -7%    601    648    N.M      LiABILITIES    Current liabilities directly associated with disposal group classified and corruls    603    651    -    -    -      Total assets    603    651    601    648    N.M    -      Liabilities directly associated with disposal group classified and reserves attributable to equity holders of the Company    -    -    -    -      Share capital and reserves attributable to equity holders of the Company    2,431    2,431    -    -    -				Variance	Note			Variance	Note
ASSETS  Current assets    Other receivables  -  40  100% (c)  -  40  100% (c)    Cash and bank deposits  163  163  -  620  620  -    Prepayment  1  -  N.M  1  -  N.M    Total assets  784  823  784  823  N.M    Current liabilities  603  648  -7%  601  648  N.M    Current liabilities directly associated  -  3  100% (d)  -  -  -    Total assets  603  651  601  648  N.M  -  -    Total liabilities  603  651  601  648  N.M  -  -    Total liabilities  603  651  601  648  N.M  -  -  -  -    Total liabilities  603  651  601  648  N.M  -  -  -  -    Total liabilities  603  651  601  648  N.M  -  -  -  <		(Unaudited)				(Unaudited)			
Current assets    -    40    100%    (c)    -    40    100%    (c)      Cash and bank deposits    163    163    163    163    163    -    620    620    -    Restricted deposit    620    620    -    N.M    1    -		S\$'000	S\$'000	%		S\$'000	S\$'000	%	
Other receivables    -    40    100%    (c)    -    40    100%    (c)      Cash and bank deposits    163    163    -    163    163    -    (c)      Restricted deposit    620    620    -    620    620    -    N.M    1    -    -    N.M    1    -	ASSETS								
Cash and bank deposits  163  163  163  163  163  1    Restricted deposit  620  620  -  620  620  -    Prepayment  1  -  N.M  1  -  N.M    Total assets  784  823  784  823  -    Current liabilities  Courassociated  603  648  -7%  601  648  N.M    LiABILTIES  Current liabilities directly associated  -  3  100%  (d)  -  -  -    Total assets  603  648  -7%  601  648  N.M  -    Liabilities  002 classified  -  3  100%  (d)  -  -  -    Total iabilities  603  651  601  648  N.M  -  -    Total liabilities  603  651  601  648  -  -  -    Total liabilities  603  651  601  648  -  -  -  -    EQUITY  Capital and res	Current assets								
Restricted deposit  620  620  -  620  620  -    Prepayment  1  -  N.M  1  -  N.M    784  823  784  823   N.M    Total assets  784  823      LIABILITIES  Current liabilities  603  648      Cher payables and accruals  603  648       Liabilities directly associated with disposal group classified as held for sale        Total liabilities  603  651  601  648  N.M    Total liabilities  603  651       Total liabilities  603  651       Reserve  181  172  183  175    EQUITY  Capital and reserves attributable to equity holders of the Company       Share capital  2.431  2.431        Reserve  (2.246)		-	40	100%	(c)	-	40	100%	(c)
Prepayment  1  -  N.M  1  -  N.M    Total assets  784  823  784  823  N.M    Total assets  784  823  784  823  N.M    LiABILITIES  Current liabilities  603  648 7%  601  648  N.M    Uth disposal group classified as held for sale  -  3  100%  (d)  -  -  -    Total liabilities  603  648 7%  601  648  N.M    Total liabilities directly associated with disposal group classified as held for sale  -  3  100%  (d)  -  -  -    Total liabilities  603  651  601  648  N.M    NET ASSETS  181  172  183  175    EQUITY  Capital 2,431  2,431  2,431  2,431  -  2,431  2,431  -    Share capital  2,431  2,431  2,431  -  1  -  -    Reserve  (2,246)  (2,257)  N.M  183  175 </td <td>-</td> <td>163</td> <td>163</td> <td>-</td> <td></td> <td>163</td> <td>163</td> <td>-</td> <td></td>	-	163	163	-		163	163	-	
784  823  784  823    Total assets  784  823  784  823    LIABILITIES  784  823  784  823    Current liabilities  603  648  -7%  601  648  N.M    Liabilities directly associated with disposal group classified as held for sale  -  3  100%  (d)  -  -  -    Total liabilities  603  651  601  648  N.M    Total liabilities  603  651  601  648  N.M    Total liabilities  603  651  601  648  N.M    EQUITY  603  651  601  648  N.M    Share capital  2,431  2,431  -  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)  -  -    Nen-controlling interests  (3)  (1)  -  -  -  -    Image: capital  2,431  2,431  -  2,431  -  2,431  -  -	-	620	620	-		620	620	-	
Total assets  784  823  784  823    LIABILITIES  Current liabilities  603  648  -7%  601  648  N.M    Liabilities directly associated with disposal group classified as held for sale  -  3  100%  (d)  -  -    Total liabilities  603  651  601  648  N.M    Total liabilities  603  651  601  648  N.M    Total liabilities  603  651  601  648  N.M    EQUITY  Capital and reserves attributable to equity holders of the Company Share capital  2,431  2,431  2,431  -  -    Share capital  2,431  2,431  -  (2,247)  (2,245)  N.M    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,245)  N.M    Non-controlling interests  (3)  (1)  -  -  -  -    Non-controlling interests  (3)  (1)  -  -  -  -	Prepayment	1	-	N.M		1	-	N.M	
LIABILITIES      Current liabilities      Other payables and accruals    603    648    -7%    601    648    N.M      Liabilities directly associated with disposal group classified as held for sale    -    3    100%    (d)    -    -    -      Total liabilities    603    651    601    648    N.M      NET ASSETS    181    172    183    175      EQUITY    Capital and reserves attributable to equity holders of the Company Share capital    2,431    2,431    -    11    (1)    (1)    -    11    (2,246)    (2,246)    (2,247)    (2,245)    N.M      Reserve    (2,246)    (2,257)    N.M    183    175    N.M      Non-controlling interests    (3)    (1)    -67%    -    -    -		784	823			784	823		
LIABILITIES      Current liabilities      Other payables and accruals    603    648    -7%    601    648    N.M      Liabilities directly associated with disposal group classified as held for sale    -    3    100%    (d)    -    -    -      Total liabilities    603    651    601    648    N.M      NET ASSETS    181    172    183    175      EQUITY    Capital and reserves attributable to equity holders of the Company Share capital    2,431    2,431    -    11    (1)    (1)    -    11    (2,246)    (2,246)    (2,247)    (2,245)    N.M      Reserve    (2,246)    (2,257)    N.M    183    175    N.M      Non-controlling interests    (3)    (1)    -67%    -    -    -									
LIABILITIES      Current liabilities      Other payables and accruals    603    648    -7%    601    648    N.M      Liabilities directly associated with disposal group classified as held for sale    -    3    100%    (d)    -    -    -      Total liabilities    603    651    601    648    N.M      NET ASSETS    181    172    183    175      EQUITY    Capital and reserves attributable to equity holders of the Company Share capital    2,431    2,431    -      Share capital    2,431    2,431    -    11    -    1      Reserve    (2,246)    (2,257)    N.M    (2,247)    (2,255)    N.M      184    173    183    175    -    -    -    -									
Current liabilities    603    648    -7%    601    648    N.M      Liabilities directly associated with disposal group classified as held for sale    -    3    100%    (d)    -    -    -      Total liabilities    603    651    601    648    N.M      NET ASSETS    181    172    183    175      EQUITY    Capital and reserves attributable to equity holders of the Company Share capital    2,431    2,431    -    2,431    2,431    -      Share capital    2,246)    (2,257)    N.M    (2,247)    (2,255)    N.M      Reserve    (2,246)    (2,257)    N.M    183    175    -      Non-controlling interests    (3)    (1)    -67%    -    -    -	Total assets	784	823			784	823		
Current liabilities    603    648    -7%    601    648    N.M      Liabilities directly associated with disposal group classified as held for sale    -    3    100%    (d)    -    -    -      Total liabilities    603    651    601    648    N.M      NET ASSETS    181    172    183    175      EQUITY    Capital and reserves attributable to equity holders of the Company Share capital    2,431    2,431    2,431    -      Share capital    2,246)    (2,257)    N.M    (2,247)    (2,255)    N.M      Reserve    (2,246)    (2,257)    N.M    183    175      Non-controlling interests    (3)    (1)    -67%    -    -									
Current liabilities    603    648    -7%    601    648    N.M      Liabilities directly associated with disposal group classified as held for sale    -    3    100%    (d)    -    -    -      Total liabilities    603    651    601    648    N.M      NET ASSETS    181    172    183    175      EQUITY    Capital and reserves attributable to equity holders of the Company Share capital    2,431    2,431    2,431    -      Share capital    2,246)    (2,257)    N.M    (2,247)    (2,255)    N.M      Reserve    (2,246)    (2,257)    N.M    183    175      Non-controlling interests    (3)    (1)    -67%    -    -									
Other payables and accruals Liabilities directly associated with disposal group classified  603  648 7%  601  648  N.M    Total liabilities  -  3  100%  (d)  -  -  -    Total liabilities  603  651  601  648  N.M    NET ASSETS  181  172  183  175    EQUITY Capital and reserves attributable to equity holders of the Company Share capital  2,431  2,431  2,431  2,431  2,431  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    Non-controlling interests  (3)  (1)  -67%  -  -  -	LIABILITIES								
Liabilities directly associated with disposal group classified as held for sale  -  3  100% (d)  -  -  -  -    Total liabilities  603  651  601  648    NET ASSETS  181  172  183  175    EQUITY  Capital and reserves attributable to equity holders of the Company  -  2,431  2,431  -  -  -    Share capital  2,431  2,431  -  11  (1)  -  -  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    Non-controlling interests  (3)  (1)  -67%  -  -  -	Current liabilities								
with disposal group classified as held for sale  -  3  100% (d)  -	Other payables and accruals	603	648	-7%		601	648	N.M	
as held for sale  603  651  601  648    NET ASSETS  181  172  183  175    EQUITY  183  175    Capital and reserves attributable to equity holders of the Company  2,431  2,431  -    Share capital  2,431  2,431  -  11  -    Treasury shares  (1)  (1)  -  (1)  (1)  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    Non-controlling interests  (3)  (1)  -67%  -  -  -									
Total liabilities  603  651  601  648    NET ASSETS  181  172  183  175    EQUITY  Capital and reserves attributable to equity holders of the Company  2,431  2,431  2,431  -    Share capital  2,431  2,431  -  10  10  -    Treasury shares  (1)  (1)  -  (1)  (1)  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175  -  -  -    Non-controlling interests  (3)  (1)  -67%  -  -  -		-	3	100%	(d)	-	-	-	
NET ASSETS  181  172  183  175    EQUITY  Capital and reserves attributable to equity holders of the Company  2,431  2,431  -  2,431  2,431  -    Share capital  2,431  2,431  -  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175    Non-controlling interests  (3)  (1)  -67%  -  -  -	as held for sale								
NET ASSETS  181  172  183  175    EQUITY  Capital and reserves attributable to equity holders of the Company  2,431  2,431  -  2,431  2,431  -    Share capital  2,431  2,431  -  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175    Non-controlling interests  (3)  (1)  -67%  -  -  -									
NET ASSETS    181    172    183    175      EQUITY Capital and reserves attributable to equity holders of the Company Share capital    2,431    2,431    -    2,431    2,431    -      Treasury shares    (1)    (1)    -    (1)    (1)    -      Reserve    (2,246)    (2,257)    N.M    (2,247)    (2,255)    N.M      184    173    183    175      Non-controlling interests    (3)    (1)    -67%    -    -    -		602	651			601	649		
EQUITY    Capital and reserves attributable to    equity holders of the Company    Share capital  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175  -  -  -  -    Non-controlling interests  (3)  (1)  -67%  -  -  -  -	Total hadilities	603	1 60			601	048		
EQUITY    Capital and reserves attributable to    equity holders of the Company    Share capital  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175  -  -  -  -    Non-controlling interests  (3)  (1)  -67%  -  -  -  -		101	170			100	175		
Capital and reserves attributable to    equity holders of the Company    Share capital  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175  -  -  -  -    Non-controlling interests  (3)  (1)  -67%  -  -  -  -	NET ASSETS	181	172			183	175		
Capital and reserves attributable to    equity holders of the Company    Share capital  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175  -  -  -  -    Non-controlling interests  (3)  (1)  -67%  -  -  -  -									
Capital and reserves attributable to    equity holders of the Company    Share capital  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175  -  -  -  -    Non-controlling interests  (3)  (1)  -67%  -  -  -  -	EQUITY								
equity holders of the Company      Share capital    2,431    2,431    2,431    -      Treasury shares    (1)    (1)    -    (1)    (1)    -      Reserve    (2,246)    (2,257)    N.M    (2,247)    (2,255)    N.M      184    173    183    175    -    -    -      Non-controlling interests    (3)    (1)    -67%    -    -    -	Capital and reserves attributa	able to							
Share capital  2,431  2,431  -  2,431  2,431  -    Treasury shares  (1)  (1)  -  (1)  (1)  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175  -  -  -    Non-controlling interests  (3)  (1)  -67%  -  -  -	-								
Treasury shares  (1)  (1)  (1)  (1)  (1)  (1)  -    Reserve  (2,246)  (2,257)  N.M  (2,247)  (2,255)  N.M    184  173  183  175    Non-controlling interests  (3)  (1)  -67%  -  -		-	2,431	-		2,431	2,431	-	
Reserve    (2,246)    (2,257)    N.M    (2,247)    (2,255)    N.M      184    173    183    175      Non-controlling interests    (3)    (1)    -67%    -    -    -				-				-	
184    173    183    175      Non-controlling interests    (3)    (1)    -67%    -    -    -	-			N.M				N.M	
Non-controlling interests (3) (1) -67%						· · · · · · · · · · · · · · · · · · ·			
	Non-controlling interests			-67%		-	-	-	
TOTAL EQUITY <u>181 172</u> <u>183 175</u>	then controlling interests	(3)	(1)	/-					
	τοται εουιτγ	181	179			183	175		
		101	172	:					

N.M – not meaningful

## 3) CONSOLIDATED STATEMENT OF CASH FLOWS

	Gro			
	Twelve Mon			
	31-Dec-23	31-Dec-23	Variance	Note
	(Unaudited)	(Audited)	- /	
	S\$'000	S\$'000	%	
Cash flows from operating activities				
Loss before taxation	<i>( , , , , , , , , , , , , , , , , , , ,</i>	(, , , , , , , , , , , , , , , , , , ,		
- Continuing operations	(1,412)	(1,420)	N.M%	<i>a</i> \
- Discontinued operations	-	(8)	100%	(b)
Loss before taxation	(1,412)	(1,428)		
Adjustments for:			1000/	(1.)
Gain on disposal of a subsidiary	-	(4)	100%	(b)
Reversal of accrued expenses	(6)	(10)	67%	(a)
Operating loss before working capital	(1.440)	(1 4 4 0)		
changes	(1,418)	(1,442)		
Changes in trade and other receivables	-	(40)	100%	(c)
Changes in prepayments	*	(40)	N.M	(0)
Changes in other payables and accruals	433	497	15%	(e)
Net cash used in operating activities	(985)	(984)		(0)
Net cash asca in operating activities	(303)	(304)	-	
Cash disposed of on disposal of a subsidiary, net				
of proceeds from disposal	-	(8)	100%	(b)
Net cash used in investing activities	-	(8)	-	
-			-	
Cash flows from financing activities				
Net cash used in financing activities			-	
Net cash used in infancing activities			-	
Net decrease in cash and cash equivalents	(985)	(992)	N.M	
Cash and cash equivalents at beginning of year	1,155	1,155	-	
Exchange differences on translation of cash and	,	,		
cash equivalents	(7)	-	N.M	
Cash and cash equivalents at end of year	163	163	-	
· · ·			-	

\* - less than S\$1,000 *N.M – not meaningful* 

#### NOTES:

- (a) increase in other income of approximately S\$10,000 is mainly due to the reversal of over-accrual of AGM fee of approximately S\$10,000;
- (b) increase in net loss from discontinued operations amounting to approximately S\$8,000 is due to the reclassification of the results of Axington Lao Co., Ltd and Axington Vietnam Limited as discontinued operations. The disposal of Axington Lao Co., Ltd was completed on 1 June 2023;
- (c) increase in other receivables of approximately S\$40,000 relates to an amount to be reimbursed to the Company pertaining to transaction expenses incurred in relation to the reverse takeover transaction ("**RTO**") announced by the Company on 2 September 2022;
- (d) increase in liabilities directly associated with disposal group classified as held for sale of approximately S\$3,000 is due to the reclassification of the net liabilities of Axington Vietnam Limited to held for sale, which is currently in the process of being disposed of by the Company; and
- (e) increase of other payables and accruals of approximately S\$64,000 was due to the under accrual of RTO expenses of approximately S\$34,000, FY2023 annual general meeting expenses of approximately S\$10,000, reversal of over-accrual AGM fee of approximately S\$10,000 in relation to (a) above, and accrual of approximately S\$10,000 recognised in relation to the disposal of Axington Lao Co., Ltd.