

**SEVENS ATELIER LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No.: 197902790N)

**MATERIAL VARIANCES BETWEEN THE COMPANY'S UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 ("FY2022")**

The Board of Directors (the "**Board**") of Sevens Atelier Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its unaudited FY2022 financial results announcement dated 1 March 2023 (the "**Unaudited Results**") and its audited financial statements in Annual Report for FY2022 (the "**Audited Financial Statements**") dated 12 April 2023.

Pursuant to Rule 704(5) of the Catalist Rules of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the material variances between the Unaudited Results and Audited Financial Statements following the finalization of audit by the external auditors, RSM Chio Lim LLP, as summarized below.

Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's Unaudited Results dated 1 March 2023.

1. Extract of FY2022 Consolidated Statement of Comprehensive Income:

	Per Audited Financial Statements	Per Unaudited Results	Variance		Note
	\$'000	\$'000	\$'000	%	
Revenue	6,792	6,655	137	2	A
Administrative Expenses	2,576	2,932	356	(12)	B
Loss from discontinued operations	2,941	2,753	(188)	7	C

2. Extract of FY 2022 Consolidated Statement of Financial Position:

	Audited Financial Statements	Unaudited Results	Variance increase / (decrease)		Note
	\$'000	\$'000	\$'000	%	
Right-of-use assets	882	606	276	46	D
Provisional goodwill	10,983	10,095	888	9	E
Intangible assets	910	-	910	-	F
Other assets	153	-	153	-	G
Trade and other receivable	1,755	1,899	(144)	(8)	H
Other financial liabilities (non-current liabilities)	117	511	(394)	(77)	I

Lease liabilities (non-current liabilities)	447	544	(97)	(18)	J
Contract liabilities	3,416	3,219	197	6	K
Lease liabilities (current liabilities)	189	74	115	155	L
Trade and other payable	2,783	3,209	(426)	(13)	M

3. Extract of FY2022 Consolidated Statement of Cash Flows:

	Audited Financial Statements	Unaudited Results	Variance		Note
	\$'000	\$'000	\$'000	%	
Net cash from operating activities	2,447	2,235	212	9.5	N
Net cash used in financing activities	(1,430)	(1,230)	(200)	16.3	O

Explanatory Notes:

- A. Variance relates mainly to further adjustment made to the revenue subsequent to the announcement, correctly reflected in the audited accounts.
- B. Variance mainly due to reclassification of discontinued operations and further adjustment made subsequent to the announcement, correctly reflected in the audited accounts.
- C. Variance relates mainly to adjustment made to the discontinued operations subsequent to announcement, correctly reflected in the audited accounts.
- D. Variance relates mainly to adjustment to fair value of identifiable net assets, based on the preliminary PPA valuation report, for the acquisition of Sevens Creation Pte. Ltd. and Its subsidiaries ("**Sevens Creation Group**").
- E. Variance relates mainly to recognition of additional goodwill, based on the preliminary PPA valuation report in relation to acquisition of Sevens Creation Group that has been reclassified from the Provisional Customer Contracts in the announcement.
- F. Variance relates mainly to reclassification from Provisional Customer Contracts, as per the announcement for the Intangible assets, net of amortisation, for the order backlog relating to the acquisition of Sevens Creation Group.
- G. Variance relates mainly to reclassification from Trade and Other Receivable.
- H. Please refer to explanation (G) above.
- I. Variance relates mainly to reclassification to Deferred Tax Liabilities, Provisional Goodwill and Other Financial Liabilities (current).
- J. Variance relates mainly to reclassification to current liabilities.
- K. Variance relates mainly to further adjustment made subsequent to the announcement, correctly reflected in the audited accounts

- L. Please refer to explanation (J) above
- M. Variance mainly due to further adjustment subsequent to the announcement correctly reflected in the audited accounts.
- N. Variance mainly due to changes made to the balance sheet and profit and loss that resulted in corresponding changes in cash flow, correctly reflected in the audited accounts
- O. Variance mainly due to changes made to the balance sheet that resulted in corresponding changes in cash flow, correctly reflected in the audited accounts

**By Order of the Board**

Jeffrey Hong Eng Leong  
Chief Executive Office and Executive Director  
13 April 2023

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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