

SAPPHIRE CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198502465W)

MATERIAL VARIANCES BETWEEN THE UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the “**Board**”) of Sapphire Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”), refers to (a) the Group’s unaudited financial statements for the financial year ended 31 December 2024 released via SGXNET on 28 February 2025 (the “**Unaudited Financial Statements**”) and (b) the Company’s annual report for the financial year ended 31 December 2024 released via SGXNET on 14 April 2025.

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce and clarify the material variances between the Unaudited Financial Statements and the audited financial statements of the Group for the financial year ended 31 December 2024 (“**Audited Financial Statements**”) following the finalisation of the audit by the Company’s independent auditor.

A summary of the material variances between the Unaudited Financial Statements and the Audited Financial Statements, and the explanations thereon, are annexed to this announcement. Shareholders of the Company are advised to read this announcement in conjunction with the Audited Financial Statements.

By Order of the Board
SAPPHIRE CORPORATION LIMITED

Wang Heng
Chief Executive Officer and Executive Director
14 April 2025

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Audited FY2024 RMB'000	Unaudited FY2024 RMB'000	Variance FY2024 RMB'000	Change %	Note
Revenue	432,629	432,629	-	-	
Cost of sales	(422,872)	(422,872)	-	-	
Gross profit	9,757	9,757	-	-	
Other income	5,250	5,250	-	-	
Administrative expenses	(18,054)	(18,054)	-	-	
Impairment losses on trade and other receivables	(68)	(68)	-	-	
Provision for contingent liabilities	(1,291)	(1,291)	-	-	
Provision for guarantee	(552)	(552)	-	-	
Other expenses	(1,123)	(1,123)	-	-	
Loss from operating activities	(6,081)	(6,081)	-	-	
Finance costs	(2,982)	(2,982)	-	-	
Share of profits from equity accounted associates, net of tax	11,597	11,249	348	3.1	PL1
Profit before tax	2,534	2,186	348	15.9	
Tax expense	(1,015)	(1,015)	-	-	
Profit for the year	1,519	1,171	348	29.7	

Other comprehensive income

Items that are or may be reclassified subsequently to profit or loss:

Foreign currency translation differences arising from foreign operations	32	32	-	-	
Share of other comprehensive loss of associates	(761)	(761)	-	-	
Other comprehensive loss for the year	(729)	(729)	-	-	
Total comprehensive income for the year	790	442	348	78.7	

Profit for the year attributable to:

Owners of the Company	1,376	1,035	341	32.9	PL1
Non-controlling interests	143	136	7	5.1	PL1
Profit for the year	1,519	1,171	348	29.7	

Total comprehensive income attributable to:

Owners of the Company	647	306	341	111.4	PL1
Non-controlling interests	143	136	7	5.1	PL1
Total comprehensive income for the year	790	442	348	78.7	

Earnings per share

Basic/diluted (RMB cents)	0.34	0.25	0.09	36.0	PL1
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Note	Amount	Explanation
	RMB'000	
PL 1	348	Adjustment for income tax and deferred tax for the associate company, Ranken Railway Group.

Consolidated Statement of Financial position

	Audited FY2024 RMB'000	Unaudited FY2024 RMB'000	Variance FY2024 RMB'000	Change %	Note
Assets					
Property, plant and equipment	82,563	82,563	-	-	
Intangible assets	448	448	-	-	
Investment in associates	458,909	458,561	348	n/m	BS1
Total non-current assets	541,920	541,572	348	n/m	
Other investment	957	957	-	-	
Inventories	590	590	-	-	
Trade receivables	53,162	53,162	-	-	
Other receivables	63,691	63,691	-	-	
Cash and cash equivalents	61,802	61,802	-	-	
Total current assets	180,202	180,202	-	-	
Total assets	722,122	721,774	348	n/m	
Equity					
Share capital	350,874	350,874	-	-	
Reserves	228,380	228,039	341	n/m	See PL
Equity attributable to owners of the Company	579,254	578,913	341	n/m	
Non-controlling interests	11,982	11,975	7	n/m	See PL
Total equity	591,236	590,888	348	n/m	
Liabilities					
Provisions	12,627	12,627	-	-	
Lease liabilities	34,354	34,354	-	-	
Total non-current liabilities	46,981	46,981	-	-	
Lease liabilities	5,550	5,550	-	-	
Trade payables	34,347	34,347	-	-	
Other payables	44,008	44,008	-	-	
Total current liabilities	83,905	83,905	-	-	
Total liabilities	130,886	130,886	-	-	
Total equity and liabilities	722,122	721,774	-	-	

n/m: not material

Note	Amount	Explanation
	RMB'000	
BS 1	348	Adjustment for income tax and deferred tax for the associate company, Ranken Railway Group.

Consolidated Statement of Cash Flows

	Audited FY2024 RMB'000	Unaudited FY2024 RMB'000	Variance FY2024 RMB'000	Change %	Note
Operating activities					
Profit before tax	2,534	2,186	348	15.9	See PL
Adjustments for:					
Change in fair value of financial asset mandatorily at fair value through profit or loss	(32)	(32)	-	-	
Amortisation of intangible assets	88	88	-	-	
Loss on disposal of property, plant and equipment	164	164	-	-	
Depreciation of property, plant and equipment	10,600	10,600	-	-	
Interest income	(1,514)	(1,514)	-	-	
Interest expense	2,982	2,982	-	-	
Share of profit of equity-accounted associates, net of tax	(11,597)	(11,249)	(348)	3.1	See PL
Provision for contingent liabilities recognised	1,291	1,291	-	-	
Provision for guarantee recognised	552	552	-	-	
Impairment losses on trade and other receivables	68	68	-	-	
Operating cash flows before working capital changes	5,136	5,136	-	-	
Changes in working capital:					
Inventories	(575)	(575)	-	-	
Trade and other payables	(11,279)	(11,056)	(223)	2.0	CF 1.1
Trade and other receivables	1,675	1,675	-	-	
Cash flows used in operations	(5,043)	(4,820)	-	-	
Income tax paid	(924)	(1,015)	91	(9.0)	CF 1.2
Net cash used in operating activities	(5,967)	(5,835)	(132)	2.3	CF 1
Investing activities					
Interest received	1,514	1,514	-	-	
Acquisition of property, plant and equipment and intangible assets	(10,076)	(10,076)	-	-	
Investment in an associated company	(280)	(280)	-	-	
Net cash generated from investing activities	(8,842)	(8,842)	-	-	
Financing activities					
Payment to shareholders	(1,070)	(1,070)	-	-	
Interest paid	(2,850)	(2,982)	132	(4.4)	CF 2
Repayment to a related party	(1,968)	(1,968)	-	-	
Payment of lease liabilities	(4,890)	(4,890)	-	-	
Net cash used in financing activities	(10,778)	(10,910)	132	(1.2)	CF 2
Net decrease in cash and cash equivalents	(25,587)	(25,587)	-	-	
Cash and cash equivalents at beginning of the year	87,389	87,389	-	-	
Effect of exchange rate fluctuations on cash held	-	-	-	-	
Cash and cash equivalents at end of the year	61,802	61,802	-	-	

Note	Amount	Explanation
	RMB'000	
CF 1.1	(223)	Increase in changes in working capital changes arising from changes in trade and other payables after adjusting non-cash portions relating to income tax expenses and interest expenses.
CF 1.2	91	Adjustment of non-cash portion relating to income tax expenses.
CF 1 - Total	(132)	Increase in net cash used in operating activities, having considered the above adjustments.
CF 2 - Total	132	Decrease in net cash used in financing activities is mainly due to adjustment of non-cash portion relating to interest expenses.