

ACCRELIST LTD. (亚联盛控股公司)

(Company Registration No. 198600445D)
(Incorporated in the Republic of Singapore)

VARIATIONS BETWEEN AUDITED AND UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018 ("FY2018")

The Board of Directors (the "**Board**") of Accrelist Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement released by the Company on the SGXNET on 31 May 2018 in relation to its unaudited financial statements for the FY2018 ("**Unaudited Results**").

Pursuant to Rule 704(5) of the Catalist Rules, the Board wishes to announce and clarify certain material adjustments and reclassifications to the Unaudited Results, following the finalisation of the audit and purchase price allocation exercise relating to the business combination of Jubilee Industries Holdings Ltd. ("PPA exercise"). Accordingly, there are variances between the Group's audited financial statements for FY2018 ("**Audited Results**") and the Unaudited Results. A comparison of the Audited Results and the Unaudited Results for FY2018 is set out as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group			
	As per Audited Results	As per Unaudited Results	Variance S\$'000	
	FY2018 S\$'000			
Revenue	112,491	112,543	(52)	
Cost of sales	(107,826)	(107,541)	(285)	Note (a)
Gross Profit	4,665	5,002		
Other Items of Income				
Other gains, net	5,493	6,036	(543)	Note (b)
	10,158	11,038		
Other Items of Expenses				
Marketing and distribution expenses	(1,029)	(1,029)	-	
Administration expenses	(8,909)	(8,855)	(54)	
Finance costs	(871)	(1,085)	214	Note (c)
Share of profit of associate company	298	298	-	
(Loss)/Profit before tax	(353)	367		
Income tax credit	539	300	239	Note (d)
Net profit	186	667		

Other comprehensive loss after tax:

Share of other comprehensive loss of associated companies	(156)	(163)	7	
Exchange differences on translating foreign operations	(1,700)	(2,458)	758	Note (k)
Fair value loss on available-for-sale financial assets	(900)	(985)	85	
	(2,756)	(3,606)		
Other comprehensive loss for the financial year, net of tax	(2,756)	(3,606)		
Total comprehensive loss for the financial year	(2,570)	(2,939)	369	

BALANCE SHEET - GROUP LEVEL

Group		
As per Audited Results	As per Unaudited Results	Variance S\$'000
As at 31 March 2018		
S\$'000		

ASSETS**Non-current assets**

Property, plant and equipment	7,220	10,816	(3,596)	Note (e)
Intangible assets	13,649	9,489	(4,160)	Note (e)
Investments in subsidiary corporations	-	-	-	
Investments in associated companies	8,242	9,211	(969)	Note (e)
Other assets	20	-	20	
Trade and other receivables	396	395	1	
Available-for-sale financial assets	286	-	286	Note (f)
Total non-current assets	29,813	29,911		

Current assets

Other assets	972	1,704	(732)	Note (g)
Trade and other receivables	31,222	31,007	215	Note (g) and (h)
Inventories	14,977	15,098	(121)	
Convertible loan	-	-	-	
Derivative financial instrument	-	-	-	
Financial assets, at fair value through profit or loss	33	33	-	
Available-for-sale financial assets	1,116	1,320	(204)	Note (f)
Cash and cash equivalents	11,597	11,597	-	
Income tax recoverable	-	-	-	
Total current assets	59,917	60,759		
Total assets	89,730	90,670		

EQUITY AND LIABILITIES**Equity attributable to equity holders of the Company**

Share capital	71,081	71,081	-	
Accumulated losses	(33,827)	(37,965)	4,138	Note (j)
Other reserves	1,037	4,952	(3,915)	Note (i)
	38,291	38,068		
Non-controlling interest	10,713	10,514	199	
Total equity	49,004	48,582		
<u>Non-current liabilities</u>				
Deferred income tax liabilities	1,424	2,371	(947)	Note (e)
Convertible loan	2,382	2,382	-	
Other financial liabilities	1,260	1,264	(4)	
Total non-current liabilities	5,066	6,017		
<u>Current Liabilities</u>				
Other financial liabilities	5,052	5,183	(131)	
Trade and other payables	30,607	30,830	(223)	Note (g)
Income tax payable	1	58	(57)	
Total current liabilities	35,660	36,071		
Total liabilities	40,726	42,088		
Total equity and liabilities	89,730	90,670		

Notes:

Variances mainly due to:

- (a) Inventories written down to net realisable value.
- (b) Bad debts written off for trade and other receivables and allowance for impairment of trade receivables of S\$0.9 million and S\$0.4 million respectively. This decrease is offset by the decrease in loss on remeasurement of previously held interest in associated company of S\$0.7 million.
- (c) Elimination of Interest on convertible loan to Jubilee Industries Holdings Ltd. and intercompany loan amounting to S\$0.2 million.
- (d) Deferred tax credit relating to fair value adjustments resulting from the PPA exercise.
- (e) Changes on the fair values of the assets acquired and liabilities assumed upon finalisation and completion of PPA exercise.
- (f) Reclassification from current to non-current assets and fair value changes.
- (g) Reclassification to trade and other receivables and trade and other payables of S\$0.6 million and S\$0.2 million respectively.
- (h) Reclassification from other assets of S\$0.6 million and this is offset by allowance for impairment of trade receivables of S\$0.4 million.
- (i) Prior year adjustments on revaluation reserves and the related deferred tax liabilities of S\$3.9 million and S\$0.8 million respectively as the Group has inadvertently not transferred revaluation reserves to

accumulated losses when the leasehold properties were derecognised upon disposal of a subsidiary corporation in the financial year ended 31 March 2015.

- (j) Effect of Note (i) and changes of the Statement of Comprehensive Income.
- (k) Reclassification of the translated balance of investment in associated company by S\$0.7 million as at 31 March 2017.

For and On Behalf of the Board
Terence Tea Yeok Kian
Executive Chairman and Managing Director
10 July 2018

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (SGX-ST). The Company's Sponsor has not independently verified the contents of this announcement.

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.

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