



**VERSALINK HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore on 21 April 2014)  
(Company Registration No: 201411394N)

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**MATERIAL VARIANCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 29 FEBRUARY 2024**

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The board of directors ("**Board**") of Versalink Holdings Limited ("**Versalink**" or the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Group's unaudited full year financial results announcement for the financial year ended 29 February 2024 ("**FY2024**") released via the SGXNet on 29 April 2024 (the "**Unaudited Financial Statements**"). Further reference is made to the audited financial statements of the Group for FY2024 (the "**Audited Financial Statements**") and the report thereon by the Company's independent auditor included in the Company's annual report for FY2024 which has been released on the SGXNet separately today.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that subsequent to the release of the Unaudited Financial Statements, certain audit adjustments and reclassifications were made to the Unaudited Financial Statements following the finalisation of the audit for FY2024 by the Company's independent auditor.

The details and explanations of the material variances between the Unaudited Financial Statements and the Audited Financial Statements are set out in the Appendix appended to this announcement. Shareholders of the Company are advised to read this announcement in conjunction with the Audited Financial Statements in the Company's annual report for FY2024.

**BY ORDER OF THE BOARD OF DIRECTORS  
VERSALINK HOLDINGS LIMITED**

GE SHUMING  
Executive Director and Chairman  
12 June 2024

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.

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 Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**Year Ended 29 February 2024**

	Group					
	2024	2024	Variance	Reclassification	Audit Adjustments	Note
	RM'000	RM'000	RM'000	RM'000	RM'000	
	(Audited Financial Statements)	(Unaudited Financial Statements)				
<b>Revenue</b>	37,724	37,724	-	-	-	
Cost of sales	(32,415)	(31,525)	(890)	(890)	-	1
<b>Gross profit</b>	5,309	6,199				
Interest income	648	208	440	440	-	2
Other income and gains	1,790	2,576	(786)	(786)	-	2, 4, 5 and 8
Marketing and distribution expenses	(3,767)	(4,693)	926	926	-	1, 7 and 8
Administrative expenses	(7,828)	(7,856)	28	28	-	6
Other losses	(3,098)	(346)	(2,752)	313	(3,065)	3 to 6
Finance costs	(326)	(326)	-	-	-	
<b>Loss before income tax</b>	(7,272)	(4,238)				
Income tax income	196	196	-	-	-	
<b>Loss, net of income tax and total comprehensive loss for the year</b>	(7,076)	(4,042)				
<b><u>Other comprehensive loss:</u></b>						
<b>Item that may be reclassified subsequently to profit or loss:</b>						
Exchange differences on translating foreign operations, net of tax	(37)	(11)	(26)	(26)	-	7
<b>Other comprehensive loss for the year, net of tax</b>	(37)	(11)				
<b>Total comprehensive loss</b>	(7,113)	(4,053)				

**Notes- Group**

- The variance of approximately RM0.89 million was mainly due to reclassification of allowance for slow moving stock from Marketing and distribution expenses to Cost of sales.
- The variance of approximately RM0.44 million was mainly due to reclassification of interest income received from customers' late payment from Other income and gain to Interest income.
- The variance of approximately RM3.07 million was mainly due to audit adjustment on the allowance for the impairment for property, plant and machinery ("PPE"). This audit adjustment is made after the valuation of PPE performed by the external valuer, which was completed in May 2024.
- The variance of approximately RM0.33 million was mainly due to reclassification of foreign exchange gain from Other income and gains to Other losses.
- The variance of approximately RM0.01 million was mainly due to reclassification of allowance for impairment of trade receivable from Other income and gains to Other losses.
- The variance of approximately RM0.03 million was mainly due to reclassification of rental deposit written off from Administrative expenses to Other losses.
- The variance of approximately RM0.03 million was mainly due to reclassification of the effect on foreign exchange pertaining to the strike off the subsidiary, Versalink System Furniture Pte. Ltd.
- The variance of approximately RM0.01 million was mainly due to reclassification from Other income and gains to Marketing and distribution expenses.

## Statements of Financial Position

As at 29 February 2024

	Group						Company						
	2024	2024	Variance	Reclassification	Audit Adjustment	Note	2024	2024	Variance	Reclassification	Audit Adjustment	Note	
	RM'000	RM'000	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	RM'000	RM'000		
	(Audited Financial Statements)	(Unaudited Financial Statements)					(Audited Financial Statements)	(Unaudited Financial Statements)					
<b>ASSETS</b>													
<b>Non-current assets</b>													
Property, plant and equipment	3,436	6,501	(3,065)	-	(3,065)	1	-	-	-	-	-	-	
Right-of-use assets	1,857	1,858	(1)	(1)	-	*	-	-	-	-	-	-	
Intangible asset	-	-	-	-	-	-	-	-	-	-	-	-	
Investment in subsidiaries	-	-	-	-	-	-	24,522	15,903	8,619	-	-	8,619	3
Investment in associate	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total non-current assets</b>	<b>5,293</b>	<b>8,359</b>					<b>24,522</b>	<b>15,903</b>					
<b>Current assets</b>													
Inventories	5,525	5,525	-	-	-	-	-	-	-	-	-	-	
Trade and other receivables	4,301	4,301	-	-	-	-	10,777	10,777	-	-	-	-	
Other non-financial assets	1,968	1,964	4	4	-	*	37	37	-	-	-	-	
Cash and cash equivalents	16,880	16,880	-	-	-	-	439	439	-	-	-	-	
<b>Total current assets</b>	<b>28,674</b>	<b>28,670</b>					<b>11,253</b>	<b>11,253</b>					
<b>Total assets</b>	<b>33,967</b>	<b>37,029</b>					<b>35,775</b>	<b>27,156</b>					
<b>EQUITY AND LIABILITIES</b>													
<b>Equity</b>													
Share capital	36,435	36,435	-	-	-	-	36,435	36,435	-	-	-	-	
(Accumulated losses)	(15,577)	(12,543)	(3,034)	31	(3,065)	1 and 2	(1,491)	(10,111)	8,620	1	1	8,619	3
Foreign currency translation reserves	(29)	(3)	(26)	26	-	2	-	-	-	-	-	-	
<b>Total equity</b>	<b>20,829</b>	<b>23,889</b>					<b>34,944</b>	<b>26,324</b>					
<b>Non-current liabilities</b>													
Deferred tax liabilities	82	83	(1)	(1)	-	*	-	-	-	-	-	-	
Lease liabilities	2,024	2,024	-	-	-	-	-	-	-	-	-	-	
<b>Total non-current liabilities</b>	<b>2,106</b>	<b>2,107</b>					<b>-</b>	<b>-</b>					
<b>Current liabilities</b>													
Income tax payable	40	40	-	-	-	-	-	-	-	-	-	-	
Trade and other payables	6,292	6,293	(1)	(1)	-	*	831	832	(1)	(1)	-	*	
Other financial liabilities	492	492	-	-	-	-	-	-	-	-	-	-	
Lease liabilities	2,528	2,528	-	-	-	-	-	-	-	-	-	-	
Provisions	1,680	1,680	-	-	-	-	-	-	-	-	-	-	
<b>Total current liabilities</b>	<b>11,032</b>	<b>11,033</b>					<b>831</b>	<b>832</b>					
<b>Total liabilities</b>	<b>13,138</b>	<b>13,140</b>					<b>831</b>	<b>832</b>					
<b>Total equity and liabilities</b>	<b>33,967</b>	<b>37,029</b>					<b>35,775</b>	<b>27,156</b>					

\*: Rounding up variance

**Notes – Group**

1. The variance of approximately RM3.07 million was mainly due to audit adjustment on the allowance for the impairment for property, plant and machinery ("PPE"). This audit adjustment is made after the valuation of PPE performed by the external valuer, which was completed in May 2024.

2. The variance of approximately RM0.03 million was mainly due to reclassification of the effect on foreign exchange pertaining to the strike off the subsidiary, Versalink System Furniture Pte. Ltd.

**Notes – Company**

3. The variance of approximately RM8.62 million was mainly due to audit adjustment on the reversal of allowance for the impairment for cost of investment. This audit adjustment is made after the valuation of cost of investment performed by the external valuer, which was completed in May 2024.

**Consolidated Statement of Cash Flows**  
**Year Ended 29 February 2024**

	Group					
	2024	2024	Variance	Reclassification	Audit Adjustment	Note
	RM'000	RM'000	RM'000	RM'000	RM'000	
	(Audited Financial Statements)	(Unaudited Financial Statements)				
<b><u>Cash flows from operating activities</u></b>						
Loss before tax	(7,272)	(4,238)	(3,034)	31	(3,065)	1,10
Adjustments for:						
Allowance for impairment on property, plant and equipment	3,065	-	3,065	-	3,065	1
Depreciation of property, plant and equipment	1,607	1,607	-	-	-	
Depreciation of right-of-use assets	1,062	1,061	1	1	-	*
Gain on disposal of plant and equipment	(36)	(36)	-	-	-	
Gain on disposal of subsidiaries	(6)	-	(6)	(6)	-	3
Interest income	(648)	(208)	(440)	(440)	-	2
Interest expense	326	326	-	-	-	
<b>Operating cash flows before changes in working capital</b>	<b>(1,902)</b>	<b>(1,488)</b>				
Inventories	3,097	3,096	1	1	-	*
Trade and other receivables	190	228	(38)	(38)	-	7
Other non-financial assets	1,034	1,079	(45)	(45)	-	5
Other financial assets	-	(2,800)	2,800	2,800	-	6
Trade and other payables	(288)	(297)	9	9	-	3
<b>Net cash flows from operations</b>	<b>2,131</b>	<b>(182)</b>				
Income taxes (paid)	(92)	(137)	45	45	-	5
<b>Net cash flows from operating activities</b>	<b>2,039</b>	<b>(319)</b>				
<b><u>Cash flows from (used in) investing activities</u></b>						
Purchase of plant and equipment	(61)	(61)	-	-	-	
Proceeds from disposals of plant and equipment	90	90	-	-	-	
Disposal of subsidiaries, net of cash disposed	(3)	-	(3)	(3)	-	3
Interest received	648	208	440	440	-	2
<b>Net cash flows from investing activities</b>	<b>674</b>	<b>237</b>				
<b><u>Cash flows used in financing activities</u></b>						
Increase in cash restricted in use	(2,945)	(97)	(2,848)	(2,848)	-	6 to 10
Decrease in other financial liabilities	(432)	(458)	26	26	-	8
Dividend paid	(8,083)	(8,083)	-	-	-	
Lease liabilities	(2,674)	(2,382)	(292)	(292)	-	4 and 9
Interest paid	(59)	(326)	267	267	-	4
<b>Net cash flows used in financing activities</b>	<b>(14,193)</b>	<b>(11,346)</b>				
<b>Net decrease in cash and cash equivalents</b>	<b>(11,480)</b>	<b>(11,428)</b>				
Cash and cash equivalents, statement of cash flows, beginning balance	24,421	24,421				
<b>Cash and cash equivalents, statement of cash flows, ending balance</b>	<b>12,941</b>	<b>12,993</b>				

\* : Rounding up variance

**Notes - Group**

- The variance of approximately RM3.07 million was mainly due to audit adjustment on the allowance for the impairment for property, plant and machinery ("PPE"). This audit adjustment is made after the valuation of PPE performed by the external valuer, which was completed in May 2024.
- The variance of approximately RM0.44 million was mainly due to reclassification of interest income received from customers' late payment from Other income and gain to Interest income.
- The variance of approximately RM0.01 million was mainly due to reclassification of the disposal of subsidiaries, Versalink Technology Sdn Bhd and Versalink System Furniture Pte. Ltd.
- The variance of approximately RM0.27 million was mainly due to reclassification of lease interest from Interest paid to Lease liabilities.
- The variance of approximately RM0.05 million was mainly due to reclassification from Other non financial-assets to Income taxes (paid).
- The variance of approximately RM2.80 million was mainly due to reclassification of fixed deposit pledged to bank from Other financial assets to Increase in cash restricted in use.
- to 10. : The total variances of approximately RM0.05 million was mainly due to reclassifications from 7. Trade and other receivables; 8. Other financial liabilities; 9. Lease liabilities; and 10. Profit & Loss effect on foreign exchange on the disposal of subsidiaries to Increase in cash restricted in use.