

ASCENT BRIDGE LIMITED
(Incorporated in the Republic of Singapore)
Co. Registration No. 198300506G

ANNOUNCEMENT

DIFFERENCES BETWEEN AUDITED AND UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The Board of Directors (the “**Board**” or the **Directors**”) of Ascent Bridge Limited (the “**Company**”) refers to the announcement released by the Company on 30 May 2023 in relation to its unaudited full year financial results (“**Unaudited Results**”) for the financial year ended 31 March 2023 (“**FY2023**”).

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce and clarify certain reclassifications and material differences between the Unaudited Results and the Audited Financial Statements for FY2023 which are set out in **Appendix A** to this announcement.

By Order of the Board

Sun Quan
Chairman and Chief Executive Officer

18 August 2023

Appendix A

The material variances between the Audited Financial Statements and the Unaudited Financial Statements, and the explanations thereon, are set out as follows:

Consolidated statement of cash flows

	Audited Results 1.1.2022 to 31.3.2023 \$'000	Unaudited Results 1.1.2022 to 31.3.2023 \$'000	Material Variances \$'000	Notes
Operating activities:				
Loss before tax, net	(8,803)	(8,803)		
Adjustments for:				
Depreciation of property, plant and equipment	1,068	1,068		
Amortisation on intangible assets	498	499	(1)	i/m
Write-down of inventories, net	77	77		
Loss on disposal of property, plant and equipment, net	2	2		
Fair value adjustment of contingent consideration	238	238		
Net gain on derivative instrument at FVPL	(194)	(194)		
Interest expense	51	–	51	i/m
Interest income	(137)	(131)	(6)	i/m
Allowance for expected credit loss	18	18		
Loss on lease modification	53	–	53	i/m
Foreign currency translation adjustments	(19)	(19)		
Unrealised exchange loss	15	–	15	i/m
Operating cash flows before changes in working capital	(7,133)	(7,245)		
<u>Changes in working capital</u>				
Increase/(decrease) in receivables	1,039	(1,037)	2,076	B
Increase/(decrease) in inventories	(5,512)	(3,419)	(2,093)	B
Increase in payables	200	231	(31)	i/m
Cash flows used in operations	(11,406)	(11,470)		
Interest paid	(51)	–	(51)	i/m
Income tax paid	(30)	(30)		
Interest received	137	131	6	i/m
Net cash used in operating activities	(11,350)	(11,369)		
Investing activities:				
Purchase of property, plant and equipment	(419)	(1,170)	751	A
Purchase of intangible assets	(80)	(66)	(14)	i/m
Acquisition of subsidiaries	(11,293)	(11,293)		
Disposal of subsidiaries	(3,729)	(3,729)		
Refundable deposit paid for a proposed acquisition	(5,000)	(5,000)		
Net cash (used in)/generated from investing activities	(20,521)	(21,258)		
Financing activities:				
Repayment of principal portion of lease liabilities	(739)	–	(739)	A
Net cash used in financing activities	(739)	–		
Net (decrease)/increase in cash and cash equivalents	(32,610)	(32,627)		
Effect of exchange rate changes on cash and cash equivalents	(17)	–	(17)	i/m
Cash and cash equivalents at 1 January	40,705	40,705		
Cash and cash equivalents at 31 March 2023	8,078	8,078		

Consolidated statement of cash flows

	Audited Results 1.1.2022 to 31.12.2022 \$'000	Unaudited Results 1.1.2022 to 31.12.2022 \$'000	Material Variances \$'000	Notes
Operating activities:				
Profit before tax from continuing operations	14,700	14,700		
Loss before tax from discontinued operations	(7,196)	–	(7,196)	C
Profit before tax, net	7,504	14,700		
Adjustments for:				
Depreciation of property, plant and equipment	459	190	269	C
Amortisation on intangible assets	103	–	103	C
Write-down of inventories, net	531	150	381	C
Loss on disposal of property, plant and equipment, net	(61)	–	(61)	i/m
Impairment loss on property, plant and equipment, net	4,220	–	4,220	C
Impairment loss on leasehold land	1,444	–	1,444	C
Gain on sale of Penjuru Property	(17,457)	(17,457)		
Impairment loss on investment in associate	1,266	–	1,266	C
Interest expense	58	–	58	i/m
Interest income	(54)	(54)		
Foreign currency translation adjustments	22	–	22	i/m
Impairment loss on financial assets	415	–	415	C
Share of results of associate	13	–	13	i/m
Operating cash flows before changes in working capital	(1,537)	(2,471)		
<u>Changes in working capital</u>				
Increase in receivables	(3,665)	(3,709)	44	i/m
Increase/(decrease) in inventories	(1,181)	84	(1,265)	C
Increase in payables	752	30	722	C
Cash flows used in operations	(5,631)	(6,066)		
Interest paid	(43)	–	(43)	i/m
Income tax paid	(160)	(160)		
Interest received	51	51		
Net cash used in operating activities	(5,783)	(6,175)		
Investing activities:				
Proceeds from disposal of property, plant and equipment	19,061	19,061		
Purchase of property, plant and equipment	(182)	(182)		
Net cash (used in)/generated from investing activities	18,879	18,879		
Financing activities:				
Proceeds from issue of ordinary shares	15,180	15,180		
Repayment of term loan	(370)	–	(370)	C
Share issuance expense	(16)	(16)		
Exercise of warrants	12,805	12,805		
Return of capital to shareholders	(31,346)	(31,346)		
Interest-free advances from a corporation owned by directors of subsidiaries	1,700	1,700		
Repayment of principal portion of lease liabilities	–	–		
Net cash used in financing activities	(2,047)	(1,677)		
Net (decrease)/increase in cash and cash equivalents	11,049	11,027		
Effect of exchange rate changes on cash and cash equivalents	(22)	–	(22)	i/m
Cash and cash equivalents at 1 January	29,678	29,678		
Cash and cash equivalents at 31 December 2021	40,705	40,705		

Notes:

- A. The net cash flow of used in financing activities is related to the repayment of principal portion of lease liabilities. The amounts were reclassified from purchase of property, plant and equipment in investing activities to repayment of principal portion of lease liabilities in financing activities.
- B. Re-presentation of cash flow statement for acquisition of liquor and alcoholic beverage business.
- C. Mainly due to re-presentation of cash flow statement for discontinued operations. Transactions relating to the aluminium extrusion business were re-presented as a single line as Loss before tax from discontinued operations.

i/m Immaterial variance