



JAWALA INC.

(Incorporated in Labuan on 8 August 2017)

(Company Registration No. LL13922)

**MATERIAL VARIANCES BETWEEN THE AUDITED AND UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023**

The Board of Directors (the “**Board**”) of Jawala Inc. (the “**Company**”, together with its subsidiary, the “**Group**”) refers to the unaudited full year financial statements announcement for the financial year ended 31 July 2023 (“**FY2023**”) released by the Company on 29 September 2023 (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited and subsequent to the release of the Unaudited Financial Statements, the Board wishes to announce and clarify the material variances between the audited financial statements for FY2023 (“**Audited Financial Statements**”) and the Unaudited Financial Statements following the completion of the FY2023 audit.

| Consolidated Statement of Comprehensive Income of the Group | Audited | Unaudited | Variance | |
|--|----------------|------------------|-----------------|-------------|
| | FY2023 | FY2023 | FY2023 | Note |
| | RM | RM | RM | |
| Cost of sales | (6,901,441) | (6,719,636) | (181,805) | 1 |
| Other gains, net | 4,109,088 | 4,454,492 | (345,404) | 2 |
| Administrative expenses | (8,880,064) | (9,124,664) | 244,600 | 2 |
| Net loss for the financial year | (897,336) | (614,727) | (282,609) | |

| Balance Sheet of the Group | Audited | Unaudited | Variance | |
|-----------------------------------|----------------|------------------|-----------------|-------------|
| | FY2023 | FY2023 | FY2023 | Note |
| | RM | RM | RM | |
| Trade and other payables | 1,740,962 | 1,458,353 | 282,609 | 1 |

The variances were mainly due to the following:

1. Increase in cost of sales was due to late receipt of invoices from suppliers. The late receipt of invoices also led to the increase in trade and other payables mainly due to the recognition of unrecorded liabilities.
2. Decrease in other gains, net, and administrative expenses was mainly due to reclassification of allowance on impairment of trade receivables initially recorded under administrative expenses.

BY ORDER OF THE BOARD

Jema Anton Khan
Chairman

9 November 2023

*This announcement has been reviewed by UOB Kay Hian Private Limited (the "**Sponsor**").*

The announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.