APPENDIX A

The material variances between the Audited Financial Statements and the Unaudited Financial Statements for FY2025 are set out as follows:

Group Consolidated Statement of Comprehensive Income for FY2025

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000	Note
Revenue	**16,285**	**16,288**	**(3)**	1
Cost of sales	(12,069)	(13,517)	1,448	1
Gross profit	**4,216**	**2,771**	**1,445**	1
Other loss [ACA1: please check the unaudited figure]	(5,065)	(13,480)	8,415	2
Selling and marketing costs	(439)	(368)	(71)	3
General and administrative costs	(3,359)	(4,286)	927	4
Finance costs	(879)	(542)	(337)	5
Loss before tax	**(5,526)**	**(15,905)**	**10,379**	
Income tax expense	(24)	(131)	107	6
Loss for the year	**(5,550)**	**(16,036)**	**10,486**	8
Other comprehensive loss:				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	(1,127)	409	(1,536)	7
Total comprehensive loss for the year	**(6,677)**	**(15,627)**	**8,950**	8
Net loss attributable to:				
Equity holders of the Company	(4,984)	(15,387)	10,403	
Non-controlling interests	(566)	(649)	83	
	(5,550)	(16,036)	10,486	8
Total comprehensive loss attributable to:				
Equity holders of the Company	(6,163)	(15,038)	8,875	
Non-controlling interests	(514)	(589)	75	

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000	Note
	(6,677)	(15,627)	8,950	
Loss per share (cents per share)				
Basic and diluted	(0.30)	(0.94)	0.64	8

<u>Group Consolidated Statement of Financial Position as at 31 December 2025</u>

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000	Note
Assets				
Non-current assets				
Property, plant and equipment	6,789	6,855	(66)	9
Intangible assets	4,710	197	4,513	10
Right-of-use assets	770	849	(79)	9
Deferred tax asset	627	701	(74)	11
Total non-current assets	**12,896**	**8,602**	**4,294**	
Current assets				
Inventories	388	388	-	
Trade and other receivables	3,431	3,125	306	12
Prepayments and advances	122	111	11	13
Cash and bank balances	2,560	2,192	368	14
Tax recoverable	103	124	(21)	15
Total current assets	**6,604**	**5,940**	**664**	
Total assets	**19,500**	**14,542**	**4,958**	
LIABILITIES				
Current liabilities				
Other liabilities	-	2,093	(2,093)	16
Trade and other payables	13,254	21,047	(7,793)	17
Convertible notes	-	2,714	(2,714)	18
Contract liabilities	39	39	-	
Income tax payable	59	90	(31)	19
Lease liabilities	67	36	31	20
Bank overdraft	-	787	(787)	
Loans and borrowings	1,347	245	1,102	21
Total current liabilities	**14,766**	**27,051**	**(12,285)**	
Net current liabilities	**(8,162)**	**(21,111)**	**12,949**	
Non-current liabilities				
Trade and other payables	9,605	-	9,605	22
Lease liabilities	92	308	(216)	20
Loans and borrowings	983	984	(1)	
Deferred tax liabilities	657	878	(221)	23
Total non-current liabilities	**11,337**	**2,170**	**9,167**	
Total liabilities	**26,103**	**29,221**	**(3,118)**	

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000	Note
Net liabilities	**(6,603)**	**(14,679)**	**8,076**	
EQUITY				
Share capital	162,367	162,729	(362)	24
Foreign currency translation reserve	(1,557)	(183)	(1,374)	25
Merger reserve	(2,136)	(2,136)	-	
Accumulated losses	(163,976)	(173,632)	9,656	26
	(5,302)	**(13,222)**	7,920	
Non-controlling interests	(1,301)	(1,457)	156	27
Total equity	**(6,603)**	**(14,679)**	8,076	

Company Statement of Financial Position as at 31 December 2025

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000	Note
Assets				
Non-current assets				
Property, plant and equipment	12	12	-	
Investments in subsidiary corporations	9,103	10,494	(1,391)	10
Total non-current assets	**9,115**	**10,506**	**(1,391)**	
Current assets				
Trade and other receivables	1,346	1,320	26	12
Prepayments and advances	8	8	-	13
Cash and bank balances	93	98	(5)	14
Total current assets	**1,447**	**1,426**	**21**	
Total assets	**10,562**	**11,932**	**(1,370)**	
LIABILITIES				
Current liabilities				
Other liabilities	-	935	(935)	16
Trade and other payables	10,158	19,449	(9,291)	17
Convertible notes	-	2,714	(2,714)	18
Total current liabilities	**10,158**	**23,098**	**(12,940)**	
Net current liabilities	**(8,711)**	**(21,672)**	**12,961**	
Non-current liabilities				
Trade and other payables	9,605	-	9,605	22
Total non-current liabilities	**9,605**	**-**	**9,605**	
Total liabilities	**19,763**	**23,098**	**(3,335)**	
Net liabilities	**(9,201)**	**(11,166)**	**1,965**	
EQUITY				
Share capital	162,367	162,729	(362)	24
Accumulated losses	(171,568)	(173,895)	2,327	26
Total equity	**(9,201)**	**(11,166)**	1,965	

Group Consolidated Statement of Cash Flows for FY2025

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000	Note
Operating activities				
Loss before income tax	(5,526)	(15,904)	10,378	28
Adjustments for:				
Depreciation of property, plant and equipment	1,092	957	135	29
Depreciation of right-of-use assets	165	4	161	30
Gain on disposal of property, plant and equipment	-	(77)	77	31
Impairment and write-off of PPE	-	3	(3)	29
Impairment of intangible assets	8,235	14,062	(5,827)	10
Allowance for trade receivables, net	648	735	(87)	32
Gain on settlement of payables due to a former corporate shareholder	(3,393)	-	(3,393)	33
Write-back of stock obsolescence	-	(2)	2	
Interest income	-	(19)	19	
Interest expense	879	541	338	34
Currency exchange loss / unrealised exchange movement	179	496	(317)	35
Operating cash flows before changes in working capital	**2,279**	**796**	**1,483**	
Changes in working capital:				
- Trade and other receivables and prepayments and advances	(87)	(168)	81	36
- Inventories	152	152	-	
- Trade and other payables, contract liabilities and other liabilities	(2,477)	(665)	(1,812)	37
Cash flows (used in)/generated from operations	**(133)**	**115**	**(248)**	
Income tax paid	(56)	(446)	390	38
Net cash flows used in operating activities	**(189)**	**(331)**	**142**	
Cashflow from investing activities				
Purchase of property, plant and equipment	(1,203)	(1,140)	(63)	29
Acquisition of a subsidy, net of cash acquired	-	(407)	407	39
Net cash flows used in investing activities	(1,203)	(1,547)	344	
Cash flows from financing activities				
Proceeds from exercise of warrants	91	90	1	
Payment of principal portion of lease liabilities	(185)	(235)	50	40
Repayments of bank borrowings	(356)	(566)	210	41
Loan due to a related party	70	72	(2)	
Amount due to a former corporate shareholder	(545)	-	(545)	42
Interest paid	(700)	(70)	(630)	43

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000	Note
Net cash flows used in financing activities	(1,625)	(709)	(916)	
Net decrease in cash and cash equivalents	(3,017)	(2,588)	(429)	
Cash and cash equivalents at beginning of the year	3,988	3,993	(5)	
Effects of exchange rate changes on cash and cash equivalents	487	-	487	
Cash and cash equivalents at end of the year	1,458	1,405	53	

<u>Group Statement of Changes in Equity for FY2025</u>

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000
Group			
As at 1 January 2025	(16)	857	(873)
Issue of ordinary shares			
Share capital	90	90	-
Accumulated losses	-	-	-
Merger reserve	-	-	-
Foreign currency translation reserve	-	-	-
Non-controlling interests	-	-	-
Total	**90**	**90**	**-**
Loss for the financial year			
Share capital	-	-	-
Accumulated losses	(4,984)	(15,386)	10,402
Merger reserve	-	-	-
Foreign currency translation reserve	-	-	-
Non-controlling interests	(566)	(649)	83
Total	**(5,550)**	**(16,035)**	**10,485**
Exchange differences on translating foreign operations			
Share capital	-	-	-
Accumulated losses	-	-	-
Merger reserve	-	-	-
Foreign currency translation reserve	(1,179)	349	(1,528)
Non-controlling interests	52	60	(8)
Total	**(1,127)**	**409**	**(1,536)**
As at 31 Dec 2025	**(6,603)**	**(14,679)**	**8,076**

Company Statement of Changes in Equity for FY2025

	Audited Financial Statements S$'000	Unaudited Financial Statements S$'000	Variance S$'000
Company			
As at 1 January 2025	1,670	2,322	(652)
Issue of ordinary shares			
Share capital	90	90	-
Accumulated losses	-	-	-
Total	**90**	90	-
Loss for the financial year			
Share capital	-	-	-
Accumulated losses	(10,962)	(13,578)	2,616
Total	**(10,962)**	**(13,578)**	**2,616**
As at 31 Dec 2025	**(9,201)**	**(11,166)**	**1,965**

Notes:

1. A S$3,000-revenue variance arose from the reclassification of a revenue account to cost of sales for the Group's subsidiary, Yumei Technologies Sdn Bhd, to align the figures with the subsidiary's audited financial statements. A variance of S$1,445,000 arose from a reconciliation of standard costs to actuals, correction of under-absorption of fixed overheads and adjusted intercompany transfer pricing.
2. The reduction in other losses was primarily attributable to two factors: (a) A gain of S$3.393 million arising from the settlement of payables due to ASTI Holdings Limited following an entry into a settlement agreement between both parties; and (b) A S$5.827 million reduction in impairment losses on goodwill on the LSO group, from S$14.062 million to S$8.235 million owing to sales projections from the LSO Group.
3. Selling and marketing costs increased by S$71,000 as a result of a reclassification of certain items initially booked under selling and marketing costs to Cost of Goods Sold expenses.
4. General and administrative expenses decreased due to derecognition of expenses of LSO Organization Holdings Pte. Ltd. and its subsidiaries ("LSO Group").
5. Finance costs increased due to reversal of prior inter-company elimination.
6. Income tax expense fell due to adjustments made to expenses not deductible for tax purposes.
7. Exchange differences on translating foreign operations decreased due to lower foreign currency assets from LSO Group on balance sheet, following further assessment after completion of acquisition.
8. As a result of the above variances, the Company's audited consolidated loss for the year, total comprehensive loss and loss per share decreased.
9. The movement for Property, plant and equipment and Right-of-use assets relate to the additions of both offset with the depreciation of both respectively
10. Intangible assets increased due to higher goodwill recorded as a result of lower impairment loss for the LSO Group in view of the sales projections, thus, increasing the asset's carrying value.
11. A variance in Deferred tax assets between unaudited financial results and audited financial results stems from year-end adjustments made during the audit process.
12. Trade and other receivables had increased as a result of adjustments made based on customer confirmations received.
13. Prepayments and advances increased due to prepayments made under LSO Group, previously classified under trade and other receivables.
14. Differences in Cash and bank balances arose from year-end adjustments for revenue recognition correction and accrued expenses.
15. Variances in Tax recoverable occurred because the independent audit process introduced rigorous testing, final tax computation reviews, and necessary adjustments.
16. Variances in Other liabilities are due to the reclassification of expense claims to trade and other payables.
17. A decrease in Trade and other payables between the audited and unaudited financial statements arose

because the Company has settled more short-term obligations and prior estimates were adjusted downward.

18. Convertible notes owing was adjusted due to the expiry of the convertible notes agreement.
19. A decrease in income tax payable arose because the final, reviewed numbers resulted in a lower tax liability than initially estimated.
20. Current lease liabilities increased while non-current lease liabilities decreased due to adjustments made as a result of reclassification from non-current to current lease liabilities following review.
21. An increase in Loans and borrowings between the audited financial statements and unaudited financial statement stemmed from adjustments made as a result of bank overdrafts and the reclassification of debt from non-current liability to a current liability.
22. Variances in Trade and other payables arose from a reclassification of certain payments to creditors from current liabilities to non-current liabilities as the payment terms were extended beyond 12 months and also because of certain restructured debt and settlement agreements, eg. with creditors such as ASTI Holdings Limited.
23. A decrease in deferred tax liabilities arose as the auditors identified adjustments, corrections, and refined estimates that reduced the company’s expected future tax burden.
24. The share capital decreased S$362,000 as a result of audit adjustments for differences in the amounts previously recorded for the issuance of shares for the convertible notes issue, as part of the consideration for the acquisition of the LSO Group and from the conversion of warrants.
25. Variances in Foreign currency translation reserve stem from year-end audit adjustments to foreign operations as a result of asset impairment, unrecorded liabilities and accounting corrections of the overseas subsidiaries.
26. Accumulated losses decreased as a result of audit adjustments from the lower provision of expected credit losses and also the adjusted impairment of goodwill that increased net profit and corrected prior overstatements of expenses and losses.
27. Variances in the Non-controlling interests arose from audit adjustments for refined intercompany transactions and unrealized profits.
28. A decrease in loss before income tax arose as a result of a reversal of overstated provisions and a reduction in the impairment of intangible assets.
29. Higher depreciation expenses for Property, Plant and Equipment stem from a reclassification of operating expenses and asset reviews of the overseas subsidiaries during the audit process.
30. During the audit process, auditors performed rigorous testing on operating expenses and identified contracts that meet the definition of a lease under SFRS(I) 16 but which were inadvertently missed by management in the draft accounts. Recognizing these newly found leases added a new ROU asset and lease liability to the Group’s balance sheet, triggering a corresponding increase in depreciation expense of right-of-use assets.
31. Previous impairment losses recognized on the disposed asset were no longer necessary and needed to be partially reversed, thereby reducing the gain on disposal of property, plant and equipment.
32. A decrease in the Allowance for trade receivables was the result of an overprovisioning in the unaudited results.
33. The variance arose from the settlement of amounts due to ASTI Holdings Limited pursuant to the settlement agreement entered into, resulting in a gain on settlement.
34. Variances in the interest expense are a result of audit adjustments to correct previous preliminary estimates.
35. Audit adjustments for the Currency exchange loss were made to provide a more accurate picture of actual foreign currency transactions and translation.
36. The variance was mainly attributable to an increase in the expected credit loss allowance on trade receivables, which reduced the movement in trade and other receivables for cash flow purposes.
37. An accrual of unrecorded expenses resulted in an increase in the carrying amount for trade and other payables.
38. Lower income tax expenses stem from year-end audit adjustments, refined tax computations and accounting standard requirements.
39. Cash outflows previously recorded for acquisition of a subsidiary were adjusted upon audit review.
40. The reclassification of certain assets of the subsidiaries resulted in adjustments to the cash outflows for the payment of lease liabilities.
41. Cash outflows for the servicing or repayment of bank borrowings were reclassified to properly reflect financing cash flows versus operating cash flows in the audited financial statements.
42. The variance arose from the settlement of amounts due to ASTI Holdings Limited pursuant to the settlement agreement entered into with the Company, resulting in the corresponding cash outflow.
43. Accrued interest expenses at year-end that were previously missed or estimated incorrectly resulted in the variances in the audited financial statements compared to the unaudited financial statements.