



(Company Registration No. 201108844H)

ANNOUNCEMENT

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Pursuant to Rule 704(4) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board of Directors (the “**Board**”) of NoonTalk Media Limited (the “**Company**”) wishes to announce that the Company’s independent auditor, Foo Kon Tan LLP (the “**Auditor**”), has included a Material Uncertainty Related to Going Concern section in their report (the “**Independent Auditor’s Report**”) on the audited financial statements of the Company for the financial year ended 30 June 2024 (“**FY2024**”) (the “**Audited Financial Statements**”). The opinion of the Auditor is not modified in respect of this matter.

The Independent Auditor’s Report is annexed to this announcement for information purposes. The Independent Auditor’s Report and the Audited Financial Statements will form part of the Company’s Annual Report for FY2024 (the “**2024 Annual Report**”) which will be released to the shareholders of the Company (the “**Shareholders**”) on 11 October 2024. Shareholders are advised to read the Independent Auditor’s Report and the 2024 Annual Report in their entirety.

The following is an extract of Note 2(a) to the Audited Financial Statements pertaining to the subject of this announcement:

Note 2(a):

Going concern

“For the financial year ended 30 June 2024, the Company incurred net loss and net operating cash outflows of S\$3,806,739 (2023: S\$3,242,676) and S\$876,207 (2023: S\$1,678,677), respectively.

Notwithstanding this, the directors are of the view that the going concern assumption is appropriate for the preparation of the financial statements, due to the following:

- (i) As at 30 June 2024, the Company had net current assets and net assets of S\$716,328 (2023: S\$4,407,264) and S\$1,399,069 (2023: S\$5,205,808), respectively, comprising cash and cash equivalents of S\$1,613,496 (2023: S\$3,461,818). Having regard to measures to tighten controls over expenses and to better manage the Company’s working capital, the directors believe that the Company is able to adequately manage its cash flows and continue to operate as a going concern.*
- (ii) Pursuant to a loan agreement entered into by the Company with the Executive Director and Chief Executive Officer of the Company on 9 October 2024, a loan of S\$2,000,000 will be extended to the Company for working capital purposes. The loan is unsecured, interest-free and repayable on demand on or after 1 July 2026. The loan will be provided to the Company in tranches upon signing and from December 2024 to April 2025, and as and when required according to the cash flow requirements of the Company. Subsequent to the end of the*

reporting period and as at the date of authorisation of the financial statements, S\$350,000 has been provided to the Company based on the terms of the loan agreement.

In assessing whether the Company can meet its debt obligations for at least 12 months from the end of the reporting period, management has prepared a cash flow forecast for the financial year ending 30 June 2025. Based on the forecast and having regard to the above, the directors believe that the Company has sufficient working capital and financial resources to enable the Company to meet its liabilities as and when they fall due and continue as a going concern for at least 12 months from the end of the reporting period. Accordingly, the directors are of the view that the going concern assumption is appropriate for the presentation of these financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of reported asset amounts or the amounts and classification of liabilities that would be required if the going concern basis is found to be inappropriate.”

After considering the measures described above, the Board and the management believe that the Company has adequate resources to continue their operations as a going concern.

Further to the above, the Board is of the opinion that sufficient information has been disclosed for the trading of the Company's securities to continue in an orderly manner, and is not aware of any material information that requires disclosure but remains undisclosed as of the date of this announcement.

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Company's shares. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Wee Keng Neo, Lynda
Non-Executive Chairman and Independent Director

11 October 2024

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").*

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 details of the contact person for the Sponsor are:-
Name: Mr Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited)
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Independent auditor's report to the members of NoonTalk Media Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NoonTalk Media Limited (the "Company"), which comprise the statement of financial position as at 30 June 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Company as at 30 June 2024 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) to the financial statements. The Company incurred net loss and net operating cash outflows of S\$3,806,739 and S\$876,207, respectively, for the financial year ended 30 June 2024. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The appropriateness of the use of the going concern assumption in the financial statements is dependent on the factors disclosed in Note 2(a).

If the Company were unable to continue in operational existence, the Company may be unable to discharge its liabilities in the normal course of business, and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Company may need to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. No such adjustments have been made to the financial statements.

Our opinion is not modified in respect of this matter.

Independent auditor's report to the members of NoonTalk Media Limited (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Our responses and work performed

Impairment testing of plant and equipment and right-of-use asset (refer to Note 3 and Note 4 to the financial statements)

As at 30 June 2024, the Company's plant and equipment and right-of-use asset amounted to S\$165,336 and S\$454,471, respectively. In view of the net loss and net operating cash outflows incurred by the Company for the financial year ended 30 June 2024, management has assessed that there are indications of impairment of plant and equipment and right-of-use asset of the Company. Accordingly, the assets are tested for impairment.

The impairment testing of the plant and equipment and right-of-use asset is considered to be a key audit matter due to the judgemental nature of key assumptions and the significance of the carrying amounts of the assets in the statement of financial position of the Company.

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of value in use and fair value less costs of disposal.

Fair value less costs of disposal encompasses estimating the expected selling prices of the underlying assets by identifying the comparable assets and determining the current market selling/purchase prices of these assets, and the estimated cash outflows to settle the obligations in respect of the underlying liabilities. Input inaccuracies or inappropriate bases used to determine the level of impairment, including the comparable assets used in the fair value measurements, could result in material misstatement in the financial statements.

The valuation techniques and inputs to the impairment tests based on fair value less costs of disposal are disclosed in Note 3 to the financial statements.

Our procedures in relation to management's testing of impairment and determination of the recoverable amount of the Company's plant and equipment and right-of-use asset included:

- Considering the higher of value in use and fair value less costs of disposal;
- Assessing the methodologies and appropriateness of the key assumptions used by the management's expert;
- Understanding and reviewing the assumptions in the input data from management and the management's expert through discussions, comparisons to industry peers and independent external data sources, and agree to supporting documentation and historical trends; and
- Evaluating the competence, capabilities and objectivity of the management's expert.

We involved auditor's expert to assist us in the above. We evaluated the competence, capabilities and objectivity of the auditor's expert, and the adequacy of the work performed by the experts.

We also considered the adequacy of disclosures in the financial statements, describing the methodologies used, degree of subjectivity and key assumptions used in the estimates.

Independent auditor's report to the members of NoonTalk Media Limited (cont'd)

Key Audit Matters (Cont'd)

Key audit matter	Our responses and work performed
Expected credit losses on finance lease receivable, trade receivables and contract assets (refer to Note 8 and 9 to the financial statements)	<p>As at 30 June 2024, the Company's finance lease receivable, trade receivables and contract assets amounted to S\$445,231 and S\$262,133, respectively, and constituted, in aggregate, 17% of the Company's total assets. The Company determines the impairment of finance lease receivable, trade receivables and contract assets by making debtor-specific assessment of expected credit losses ("ECLs") and uses a provision matrix for the remaining group of debtors that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Due to the significant judgements and estimates applied by management in the measurement of ECLs, we have determined this area to be a key audit matter.</p>
Impairment testing of film product (refer to Note 12 to the financial statements)	<p>As at 30 June 2024, the Company's film product amounted to S\$155,000. As the actual revenues and cash flows from the film product are significantly below those budgeted, management has assessed that there are indications of impairment of the film product. Accordingly, the asset is tested for impairment.</p> <p>Due to the significance of the cost of the film product and the significant judgements and estimates applied by management in estimating the projected revenues to be derived from the film product to determine its recoverable amount, we have considered this area to be a key audit matter.</p>

Independent auditor's report to the members of NoonTalk Media Limited (cont'd)

Key Audit Matters (Cont'd)

Key audit matter

Our responses and work performed

Revenue recognition (refer to Note 18 to the financial statements)

For the financial year ended 30 June 2024, revenue amounted to S\$4,439,247, of which revenue from contracts with customers of S\$3,928,141 comprised revenue recognised at a point in time and over time of S\$3,516,559 and S\$411,582, respectively.

Under SFRS(I) 15 *Revenue from Contracts with Customers*, revenue is recognised at an amount that reflects the consideration in the contracts to which the Company expects to be entitled in exchange for promised goods or services to the customers as and when the Company satisfies its performance obligation, which may be satisfied at a point in time or over time based on the contractual arrangement with customers. The evaluation of the relevant terms in the respective contracts with customers requires significant judgement.

As part of our audit procedures, we evaluated the appropriateness of the Company's revenue recognition policies as detailed in Note 2(d) to the financial statements in accordance with SFRS(I) 15. We obtained an understanding of the revenue recognition processes, performed a walkthrough of the significant classes of transactions and evaluated the design of the relevant internal controls for effectiveness. We reviewed significant contracts during the financial year to understand the performance obligations as agreed with the customers. We tested revenue transactions on a sampling basis by assessing the recognition and measurement criteria based on SFRS(I) 15 and verifying to the relevant supporting documents. We also tested the cut-off of revenue as at the end of the financial year. In addition, we assessed the adequacy of disclosures in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditor's report to the members of NoonTalk Media Limited (cont'd)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent auditor's report to the members of NoonTalk Media Limited (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent auditor's report to the members of NoonTalk Media Limited (cont'd)

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Cheong Wenjie.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants
Singapore

11 October 2024