



Accrelist Ltd
ROC. 198600445D

MATERIAL DIFFERENCE BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS

The Board of Directors (the "Board") of Accrelist Ltd. (the "Company") and together with its subsidiaries (the "Group") refers to the Company's announcement dated 30 May 2022 in relation to the unaudited full-year financial results (the "Unaudited Financial Statements") for the financial year ended 31 March 2022 ("FY2022").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalyst ("Catalist Rules") of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Board wishes to announce that subsequent to the release of the Unaudited Financial Statement, there were certain reclassifications and adjustments made to the Unaudited Financial Statements following the finalisation of the audit.

The detailed explanations with corresponding line items are set out as follows:-

Consolidated Statement of Comprehensive Income

	Group			
	For the 12 months ended			
	31-Mar-22 S\$'000	31-Mar-22 S\$'000	Variance S\$'000	Please refer to Note
	(audited)	(unaudited)		
Revenue	241,239	241,955	(716)	1
Cost of sales	(228,108)	(226,576)	1,532	2
Gross profit	13,131	15,379	(2,248)	
Other (losses)/gains				
Impairment loss on financial assets	(1,162)	-	1,162	3
Impairment loss on intangible assets	(8,482)	-	8,482	4
Others	(1,602)	206	1,808	5
Expenses:				
Distribution and marketing	(1,294)	(1,324)	(30)	nm
Administrative	(15,177)	(15,254)	(77)	nm
Finance	(555)	(432)	123	6
Operating loss	(15,141)	(1,425)		
Non-operating items				
Fair value loss on financial assets at fair value through profit or loss	-	(2,193)	(2,193)	5
Loss before income tax	(15,141)	(3,618)		
Income tax expense	(236)	(195)	41	nm
Loss after income tax	(15,377)	(3,813)		
Other comprehensive loss:				
Currency translation loss from consolidation	(450)	(399)	51	nm
Total comprehensive loss	(15,827)	(4,212)		
Net loss attributable to:				
Equity holder of the Company	(12,734)	(1,921)		
Non controlling interests	(2,643)	(1,892)		
	(15,377)	(3,813)		
Total comprehensive loss attributable to:				
Equity holder of the Company	(13,184)	(2,320)		
Non controlling interests	(2,643)	(1,892)		
	(15,827)	(4,212)		

na: not applicable

nm: not material



Consolidated Statement of Financial Position

	Group			Please refer to Note
	31-Mar-22 S\$'000 (audited)	31-Mar-22 S\$'000 (unaudited)	Difference S\$'000	
ASSETS				
Non-current assets				
Property, plant and equipment	18,648	17,629	1,019	7
Intangible assets	1,630	10,870	(9,240)	6
Trade and other receivables	-	52	(52)	nm
Financial assets, at fair value through other comprehensive income ("FVOCI")	47	47	-	na
Total non-current assets	20,325	28,598		
Current assets				
Other assets	1,370	2,452	(1,082)	8
Trade and other receivables	19,197	19,303	(106)	9
Inventories	20,051	21,512	(1,461)	10
Financial assets, at fair value through profit or loss ("FVPL")	7,070	7,070	-	na
Contract assets	64	-	64	nm
Cash and cash equivalents	9,757	9,598	159	11
Total current assets	57,509	59,935		
Total assets	77,834	88,533		
EQUITY AND LIABILITIES				
Equity				
Share capital	74,315	74,315	-	na
Accumulated losses	(60,160)	(49,347)	(10,813)	1 - 6
Other reserves	2,113	2,164	(51)	na
	16,268	27,132		
Non-controlling interests	13,633	14,384		
Total equity	29,901	41,516		
Non-current liabilities				
Deferred tax liabilities	978	979	(1)	nm
Borrowings	3,810	4,397	(587)	12
Total non-current liabilities	4,788	5,376		
Current liabilities				
Borrowings	11,321	9,469	1,852	12
Trade and other payables	29,714	30,269	(555)	9
Contract liabilities	1,567	1,478	89	nm
Income tax payable	543	425	118	13
Total current liabilities	43,145	41,641		
Total liabilities	47,933	47,017		
Total equity and liabilities	77,834	88,533		

na: not applicable
nm: not material



ACCRELIST LTD.
UNEARTHING TOMORROW'S GEM

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Consolidated Statement of Cash flows

	Group			
	31-Mar-22 S\$'000 (audited)	31-Mar-22 S\$'000 (unaudited)	Difference S\$'000	Please refer to Note
Net cash flows used in operating activities	(258)	(1,577)	(1,319)	14
Net cash flows used in investing activities	(1,796)	(3,511)	(1,715)	15
Net cash flows provided by financing activities	2,877	5,599	(2,722)	16



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Notes:

Consolidated Statement of Comprehensive Income

- 1) The decrease in revenue was mainly due to an elimination of inter-company sales.
- 2) The increase in cost of sales is mainly due to a stock written off of approximately S\$1.0 million and inventory cost adjustment of approximately S\$0.3 million of its overseas subsidiaries, WE Total Engineering Sdn Bhd and PT HonFoong Plastic Industries. In addition, there was a further recognition of direct operating costs of approximately S\$0.2 million from the Mechanical Business Unit during the financial year.
- 3) The increase is mainly due to the reclassification of impairment loss on financial assets of S\$0.5 million from other losses/gains and adjustment for impairment loss on financial assets of S\$0.7 million.
- 4) Intangible assets arose from the customer relationship and goodwill when acquiring Jubilee and A.M Aesthetics group of companies respectively. As the conditions on deriving the customer relationship and goodwill no longer existed, these were impaired.
- 5) The decrease was due to a reclassification of the fair value loss on financial assets at fair value through profit or loss of S\$2.2 million. This decrease is offset against the reclassification of impairment loss on financial assets of S\$0.5 million.
- 6) The increase is mainly due to under recognition of interest for lease liabilities.

Consolidated Statement of Financial Position

- 7) The increase in property, plant and equipment was mainly due to a reclassification from other assets of approximately S\$0.9 million. In addition, adjustment of about S\$0.1 million was made to recognise the additional right-of-use assets incurred during the year.
- 8) The decrease in other current assets was mainly due to a reclassification to property, plant and equipment of approximately S\$0.9 million. There was also an adjustment from accrual for direct labour bonus paid for year 2021.
- 9) The trade and other receivables decrease mainly due to a net off with payables arising from customers who supply products to the Company's subsidiaries. This is in line with the decrease in trade and other payables.
- 10) The decrease in inventories is from its overseas subsidiary, WE Total Engineering Sdn. Bhd and PT HonFoong Plastic Industries, primarily due to inventory written off and adjustment of closing inventory cost.
- 11) The increase in cash and cash equivalent are net adjustments made for incorrect entries taken up during the financial year by its subsidiaries.
- 12) The net increase in borrowings is a result of recognition of lease liabilities for right-of-use assets and hire purchases by its Accrelist Medical Aesthetics Group and overseas subsidiaries, WE Total Engineering Sdn. Bhd., PT HonFoong Plastic Industries, and WE Components Group (current and non current).
- 13) The increase is due to additional tax provisions made in the financial year.

Consolidated Statement of Cashflows

- 14) Net cashflow used in operating activities
The decrease is mainly due to the decrease in inventories and other assets of S\$0.4 million and S\$1.0 million respectively. This decrease is offset by the increase in trade and other receivables of S\$0.1 million.
- 15) Net cashflow provided by investing activities
The decline is a result of the decrease in additions to property, plant and equipment.
- 16) Net cashflow used in financing activities
The decrease is largely attributable to the decline in drawdown of borrowings.

BY ORDER OF THE BOARD

Dr. Terence Tea
Executive Chairman and Managing Director

11 November 2022

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "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.

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