



Accrelist Ltd
ROC. 198600445D

ACCRELIST LTD
AND ITS SUBSIDIARY CORPORATIONS
(Incorporated in the Republic of Singapore)
(Registration No.: 198600445D)

Unaudited Condensed Interim
Financial Statements for the six months ended
30 September 2022

The Board of Directors of Accrelist Ltd. wishes to announce the unaudited results of the Group and Company for the six months period ended 30 September 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"). The Sponsor has not independently verified the contents of this announcement.

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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Accrelist Ltd
ROC. 198600445D

Contents	Page
Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	3
Condensed Interim Statements of Financial Position	4
Condensed Interim Consolidated Statement of Cash Flows	5
Condensed Interim Statements of Changes in Equity	6
Notes to the Condensed Interim Consolidated Financial Statement	7-17
Other Information Required by Appendix 7C of the Catalyst Rules	18-23



Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Group		
		For the 6 months period ended		
		30-Sep-22	30-Sep-21	Increase /
		S\$'000	S\$'000	(Decrease)
	Note	(Unaudited)	(Unaudited)	
Revenue	4.3	50,651	120,649	-58.0%
Cost of sales		(43,570)	(111,358)	-60.9%
Gross profit		7,081	9,291	-23.8%
Other losses, net	5	(842)	(7)	> 100%
Expenses				
Marketing and distribution		(1,167)	(561)	> 100%
Administrative		(7,911)	(7,492)	5.6%
Finance	7	(218)	(202)	7.9%
(Loss)/Profit before income tax		(3,057)	1,029	nm
Income tax expense	8	(114)	(197)	-42.1%
(Loss)/Profit for the period		(3,171)	832	nm
Other comprehensive income/(loss):				
Exchange difference on translating foreign operations		928	(536)	nm
Total comprehensive (loss)/profit for the period		(2,243)	296	nm
(Loss)/Profit attributable to:				
Equity holders of the Company		(1,652)	393	nm
Non-controlling interests		(1,519)	439	nm
		(3,171)	832	nm
Total comprehensive (loss)/profit attributable to:				
Equity holders of the Company		(724)	(3)	> 100%
Non-controlling interests		(1,519)	299	nm
		(2,243)	296	nm
EBITDA	4.1	(1,237)	2,193	nm

nm denotes not meaningful.

The accompanying notes form an integral part of condensed interim financial statements



Condensed Interim Statements of Financial Position

	Note	Group			Company		
		30-Sep-22 S\$'000 (Unaudited)	31-Mar-22 S\$'000 (Audited)	Increase / (Decrease)	30-Sep-22 S\$'000 (Unaudited)	31-Mar-22 S\$'000 (Audited)	Increase / (Decrease)
ASSETS							
Non-current assets							
Property, plant and equipment		18,240	18,648	-2.2%	-	-	nm
Intangible assets	17	1,184	1,630	-27.4%	-	-	nm
Investments in subsidiary corporations		-	-	nm	31,906	31,906	0.0%
Financial assets, at fair value through other comprehensive income ("FVOCI")	13	47	47	0.0%	-	-	nm
Total non-current assets		19,471	20,325	-4.2%	31,906	31,906	0.0%
Current assets							
Inventories	15	17,230	20,051	-14.1%	-	-	nm
Trade and other receivables	14	16,976	19,197	-11.6%	3,350	8,707	-61.5%
Other assets	16	2,090	1,370	52.6%	3	9	-66.7%
Financial assets, at fair value through profit or loss ("FVPL")	12	7,070	7,070	0.0%	-	-	nm
Contract assets		64	64	0.0%	-	-	nm
Cash and cash equivalents	11	8,974	9,757	-8.0%	114	476	-76.1%
Total current assets		52,404	57,509	-8.9%	3,467	9,192	-62.3%
Total assets		71,875	77,834	-7.7%	35,373	41,098	-13.9%
EQUITY AND LIABILITIES							
Equity							
Share capital	20	74,315	74,315	0.0%	115,006	115,006	0.0%
Accumulated losses		(61,812)	(60,160)	2.7%	(79,980)	(79,470)	0.6%
Other reserves		3,041	2,113	43.9%	-	-	nm
		15,544	16,268	-4.5%	35,026	35,536	-1.4%
Non-controlling interests		12,114	13,633	-11.1%	-	-	nm
Total equity		27,658	29,901	-7.5%	35,026	35,536	-1.4%
Non-current liabilities							
Deferred tax liabilities		970	978	-0.8%	-	-	nm
Borrowings	19	3,984	3,810	4.6%	-	-	nm
Total non-current liabilities		4,954	4,788	3.5%	-	-	nm
Current liabilities							
Borrowings	19	11,610	11,321	2.6%	-	-	nm
Trade and other payables	18	25,035	29,714	-15.7%	347	5,562	-93.8%
Contract liabilities		2,080	1,567	32.7%	-	-	nm
Income tax payable		538	543	-0.9%	-	-	nm
Total current liabilities		39,263	43,145	-9.0%	347	5,562	-93.8%
Total liabilities		44,217	47,933	-7.8%	347	5,562	-93.8%
Total equity and liabilities		71,875	77,834	-7.7%	35,373	41,098	-13.9%

nm denotes not meaningful.

The accompanying notes form an integral part of condensed interim financial statements



Accrelist Ltd
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Condensed Interim Consolidated Statement of Cash Flows

	Group	
	30-Sep-22 S\$'000 (Unaudited)	30-Sep-21 S\$'000 (Unaudited)
Cash flows from operating activities		
Net (loss)/profit	(3,171)	832
Adjustments for :-		
Depreciation of property, plant and equipment	854	222
Amortisation of intangible assets	748	740
Gain on disposal of property, plant and equipment	-	(12)
Inventory write down	-	392
Interest expense	218	202
Interest income	(1)	(2)
Dividend income	(2)	(2)
Net effect of exchange rate changes in consolidating foreign subsidiaries	926	(536)
Operating (loss)/profit before working capital changes	(428)	1,836
Changes in working capital		
Inventories	2,821	(5,342)
Trade and other receivables	2,221	(164)
Other assets	(720)	(832)
Trade and other payables	(4,166)	6,039
Cash (used in)/generated from operations	(272)	1,537
Interest received	1	2
Income taxes paid	(13)	(160)
Net cash flows (used in)/provided by operating activities	(284)	1,379
Cash flows from investing activities		
Additions of property, plant and equipment	(446)	(810)
Additions of intangible assets	(302)	-
Proceeds from disposal of property, plant and equipment	-	12
Dividend received	2	2
Net cash flows used in investing activities	(746)	(796)
Cash flows from financing activities		
Drawdown/(Repayment) of borrowings	463	358
Issuance of ordinary shares	-	1,824
Interest paid	(218)	(202)
Net cash flows provided by financing activities	245	1,980
Net (decrease)/increase in cash and cash equivalents	(785)	2,563
Cash and cash equivalents at beginning of financial period	7,208	6,383
Effects of exchange rate changes on cash and cash equivalents	2	(5)
Cash and cash equivalents at end of financial period (Note 1)	6,425	8,941

Note 1

Cash and cash equivalents

- Not restricted in use
- Bank overdraft
- Restricted in use

Cash and cash equivalents as per statement of financial position

Balance as at	
30-Sep-22 S\$'000	30-Sep-21 S\$'000
6,425	8,941
433	518
2,116	2,092
8,974	11,551

The accompanying notes form an integral part of condensed interim financial statements



Condensed Interim Statements of Changes in Equity

Group	Attributable to Other Reserves of the Group			Non-Controlling Interests	Total Equity
	Share Capital	Accumulated Losses	Other Reserves		
HY2023 (unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Beginning of financial period	74,315	(60,160)	2,113	13,633	29,901
Loss for the financial period	-	(1,652)	-	(1,519)	(3,171)
Other comprehensive income for the financial period	-	-	928	-	928
Closing balance at 30 September 2022	74,315	(61,812)	3,041	12,114	27,658

	Attributable to Other Reserves of the Group			Non-Controlling Interests	Total Equity
	Share Capital	Accumulated Losses	Other Reserves		
HY2022 (unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Beginning of financial period	72,491	(47,426)	2,563	13,231	40,859
Total comprehensive income/(loss) for the financial period	-	393	(396)	299	296
Issuance of shares	1,824	-	-	-	1,824
Closing balance at 30 September 2021	74,315	(47,033)	2,167	13,530	42,979

Company	Share Capital	Accumulated Losses	Total Equity
HY2023 (unaudited)	S\$'000	S\$'000	S\$'000
Beginning of financial period	115,006	(79,470)	35,536
Total comprehensive loss for the financial period	-	(510)	(510)
Closing balance at 30 September 2022	115,006	(79,980)	35,026

	Share Capital	Accumulated Losses	Total Equity
HY2022 (unaudited)	S\$'000	S\$'000	S\$'000
Beginning of financial period	113,182	(78,130)	35,052
Total comprehensive income/(loss) for the financial period	-	(537)	(537)
Issuance of shares	1,824	-	1,824
Closing balance at 30 September 2021	115,006	(78,667)	36,339

The accompanying notes form an integral part of condensed interim financial statements



Accrelist Ltd
ROC. 198600445D

Notes to the Condensed Interim Consolidated Financial Statement

1. Corporate information

Accrelist Ltd. ("Accrelist") is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore. The address of its registered office is at 10 Ubi Crescent, Ubi Techpark Lobby E, #03-95, Singapore 408564.

These condensed interim consolidated financial statements as at and for the six months ended 30 September 2022 comprise of the Company and its subsidiary corporations (collectively, the "Group").

Accrelist continues to actively pursue new opportunities with a growing focus on medical aesthetics. The Group's wholly owned subsidiary corporations include the Accrelist Medical Aesthetics group of companies, branded as A.M Aesthetics, and A.M Skincare Pte. Ltd. ("A.M Skincare").

A.M Aesthetics operates a chain of registered aesthetic medical clinics in Singapore and Malaysia which use state-of-the-art equipment and clinically proven solutions to deliver a wide range of highly reliable and effective treatments.

A.M Skincare is principally involved in the retail sale of pharmaceutical and medical goods. It develops and distributes its own original design manufacturer clinical skincare products ("ODM") with support from South Korean dermatologists alongside other non-ODM products.

In addition, Accrelist currently holds a 53.31% controlling stake in Jubilee Industries Holdings Ltd. ("Jubilee"), a one-stop service provider with two main business segments:

1. Mechanical Business Unit ("MBU") which is engaged primarily in precision plastic injection moulding and mould design and fabrication services; and
2. Electronics Business Unit ("EBU") which distributes integrated electronic components.

Headquartered in Singapore, Jubilee's production facilities span across Malaysia and Indonesia. Jubilee's products are sold to customers in Singapore, Malaysia, Indonesia, Thailand, Vietnam, India, the People's Republic of China, the United States of America and various European countries.

2. Summary of significant accounting policies and accounting estimates

2.1. Basis of preparation

The condensed interim financial statements of the Company and Group for the six months ended 30 September 2022 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements for the year ended 31 March 2022.

The condensed interim financial statements have been prepared and assessed for its principal risks and prospects for its performance. There are no issue on this since management has verified that there are no financial, operating or other types of indicators that might cast significant doubts upon the Group's ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period taking into consideration the available cash and cash equivalents, its net current assets position and its profitability, notwithstanding that the Group recorded net cash used in operating activities for the six months period ended 30 September 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The condensed interim financial statements are presented in Singapore Dollar (S\$), which is the Company's functional and presentation currency. All values are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

2.2. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.3. Use of judgments and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited annual financial statements as at and for the financial year ended 31 March 2022. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



Accrelist Ltd
ROC. 198600445D

Notes to the Condensed Interim Consolidated Financial Statement - Continued

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

Business segments

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("Exco"), which is the Group's key decision maker, that are used to make strategic decisions. The Exco comprises the Executive Director, the Chief Financial Officer/the Financial Controller, and the department heads of each business unit within each geographical segment.

The Exco considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the 8 primary geographic areas: People's Republic of China, United States of America, India, Singapore, Malaysia, Indonesia, Thailand, and Vietnam. The Group is organised into 3 major operating units: mechanical business unit ("MBU"), electronic components distribution business unit ("EBU"), and aesthetic medical services ("AMS"). Such structural organisation is determined by the nature of business and defines the management structure as well as the internal reporting system.

The MBU comprise of the provision of precision plastic injection moulding services ("PPIM") and Design, fabrication and sale of precision plastic injection moulds ("MDF").

The EBU relates to distribution of electronic components and products, services and solutions to industrial and commercial users.

The AMS offers a range of services related to medical aesthetic enhancements.

"Others" segment includes:

- (a) The commodities and resources segment that provides supply for natural materials. This business segment is currently dormant and hence classified as others.
- (b) Investment holding segment.



Notes to the Condensed Interim Consolidated Financial Statement - Continued

4. Segment and revenue information (continued)

4.1 Business segments (continued)

The following table presents revenue, results and other information, assets, liabilities and other segment information regarding the Group's business segments for the half-years ended 30 September 2022 and 30 September 2021.

Group	MBU S\$'000	EBU S\$'000	AMS S\$'000	Others S\$'000	Group S\$'000
Unaudited 6 months ended 30 September 2022					
Revenue – external parties	11,270	32,522	6,645	214	50,651
Gross (loss)/profit	(452)	2,351	5,129	53	7,081
Other (losses)/gains - net					
- Interest	-	-	-	1	1
- Others	(40)	(570)	56	(289)	(843)
Expenses					
Marketing and distribution	(30)	(88)	(996)	(53)	(1,167)
Administrative	(1,151)	(1,890)	(3,317)	(1,553)	(7,911)
Finance	(4)	(149)	(1)	(64)	(218)
(Loss)/Profit before income tax	(1,677)	(346)	871	(1,905)	(3,057)
Income tax expense	(69)	-	(18)	(27)	(114)
Net (loss)/profit	(1,746)	(346)	853	(1,932)	(3,171)
Depreciation of property, plant and equipment	462	48	266	78	854
Amortisation of intangible assets	-	157	-	591	748
Net (loss)/profit	(1,746)	(346)	853	(1,932)	(3,171)
Income tax	69	-	18	27	114
Interest	4	149	1	64	218
Depreciation	462	48	266	78	854
Amortisation	-	157	-	591	748
EBITDA	(1,211)	8	1,138	(1,172)	(1,237)
EBITDA excluding currency exchange losses	(1,083)	584	1,144	(971)	(326)



Notes to the Condensed Interim Consolidated Financial Statement - Continued

4. Segment and revenue information (continued)

4.1 Business segments (continued)

Group	MBU S\$'000	EBU S\$'000	AMS S\$'000	Others S\$'000	Group S\$'000
Unaudited 6 months ended 30 September 2021					
Revenue – external parties	15,323	99,992	5,334	-	120,649
Gross profit	2,250	4,332	2,709	-	9,291
Other gains - net					
- Interest	1	1	-	-	2
- Others	(286)	(18)	116	179	(9)
Expenses					
Marketing and distribution	(145)	(67)	(327)	(22)	(561)
Administrative	(1,257)	(2,899)	(1,257)	(2,079)	(7,492)
Finance	(21)	(151)	(18)	(12)	(202)
Profit/(Loss) before income tax	542	1,198	1,223	(1,934)	1,029
Income tax expense	(197)	-	-	-	(197)
Net profit/(loss)	345	1,198	1,223	(1,934)	832
Depreciation of property, plant and equipment	43	35	144	-	222
Amortisation of intangible assets	-	189	-	551	740
Net profit/(loss)	345	1,198	1,223	(1,934)	832
Income tax	197	-	-	-	197
Interest	21	151	18	12	202
Depreciation	43	35	144	-	222
Amortisation	-	189	-	551	740
EBITDA	606	1,573	1,385	(1,371)	2,193
EBITDA excluding currency exchange losses	951	1,629	1,387	(1,550)	2,417

4.2 Segment assets (Non-current assets)

	Group	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
Singapore	12,877	12,942
Malaysia	504	914
Indonesia	6,090	6,367
Other countries	-	102
	19,471	20,325



Notes to the Condensed Interim Consolidated Financial Statement - Continued

4. Segment and revenue information (continued)

4.3 Disaggregation of revenue

	Unaudited 6 months ended 30 September 2022		
	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<u>Electronic components distribution business unit ("EBU")</u>			
- People's Republic of China	16,216	-	16,216
- United States of America	80	-	80
- India	1,249	-	1,249
- Singapore	4,642	-	4,642
- Malaysia	2,374	-	2,374
- Indonesia	243	-	243
- Thailand	2,578	-	2,578
- Vietnam	4,184	-	4,184
- Other countries	956	-	956
	<u>32,522</u>	<u>-</u>	<u>32,522</u>
<u>Mechanical business unit ("MBU")</u>			
- Singapore	48	1	49
- Malaysia	2,797	261	3,058
- Indonesia	8,163	-	8,163
	<u>11,008</u>	<u>262</u>	<u>11,270</u>
<u>Aesthetics medical services ("AMS")</u>			
- Singapore	6,510	-	6,510
- Malaysia	135	-	135
	<u>6,645</u>	<u>-</u>	<u>6,645</u>
<u>Others</u>			
- Singapore	214	-	214
	<u>214</u>	<u>-</u>	<u>214</u>
Total revenue	<u>50,389</u>	<u>262</u>	<u>50,651</u>

	Unaudited 6 months ended 30 September 2021		
	At a point in time	Over time	Total
	S\$'000	S\$'000	S\$'000
<u>Electronic components distribution business unit ("EBU")</u>			
- People's Republic of China	71,101	-	71,101
- United States of America	903	-	903
- India	2,830	-	2,830
- Singapore	9,862	-	9,862
- Malaysia	2,247	-	2,247
- Indonesia	149	-	149
- Thailand	5,466	-	5,466
- Vietnam	5,717	-	5,717
- Other countries	1,717	-	1,717
	<u>99,992</u>	<u>-</u>	<u>99,992</u>
<u>Mechanical business unit ("MBU")</u>			
- Singapore	4,637	132	4,769
- Malaysia	3,179	210	3,389
- Indonesia	6,660	-	6,660
- Other countries	466	39	505
	<u>14,942</u>	<u>381</u>	<u>15,323</u>
<u>Aesthetics medical services ("AMS")</u>			
- Singapore	5,237	-	5,237
- Malaysia	97	-	97
	<u>5,334</u>	<u>-</u>	<u>5,334</u>
Total revenue	<u>120,268</u>	<u>381</u>	<u>120,649</u>



Accrelist Ltd
ROC. 198600445D

Notes to the Condensed Interim Consolidated Financial Statement - Continued

5. Other (losses)/gains, net

	The Group	
	Unaudited 6 months ended	
	30-Sep-22	30-Sep-21
	S\$'000	S\$'000
Other income		
- Fixed deposit interest	1	2
- Dividend income on financial assets, at FVOCI	2	2
- Government grants *	19	166
- Sales of scrap and other materials	-	10
- Service income	41	23
- Gain on disposal of property, plant and equipment	-	12
- Miscellaneous income	51	12
	<u>114</u>	<u>227</u>
Other losses		
- Currency exchange losses - net	(911)	(224)
- Bad debts written off	-	(3)
- Miscellaneous losses	(45)	(7)
	<u>(956)</u>	<u>(234)</u>
Other losses, net	<u>(842)</u>	<u>(7)</u>

* During the financial period, the Group received government grants relating to various temporary wage support schemes to assist companies retained their workers as businesses took a hit from the COVID-19 pandemic.



Accrelist Ltd
ROC. 198600445D

Notes to the Condensed Interim Consolidated Financial Statement - Continued

6. (Loss)/Profit before income tax

Group	
Unaudited 6 months	
30-Sep-22	30-Sep-21
S\$'000	S\$'000

The Group's (loss)/profit before income tax is arrived at after (charging)/crediting:

Depreciation of property, plant and equipment	(854)	(222)
Amortisation of intangible assets	(748)	(740)
Inventory write-down	-	(392)
Gain on disposal of property, plant and equipment	-	12
Currency exchange losses, net	(911)	(224)
Interest income	1	2
Dividends received	2	2
Government grants	19	166
Sale of scrap and other materials	-	10
Service income	41	23
Miscellaneous income	51	12

7. Finance expense

Group	
Unaudited 6 months	
30-Sep-22	30-Sep-21
S\$'000	S\$'000

Interest expense:		
- Bank borrowing	213	143
- Lease liabilities	5	59
	<u>218</u>	<u>202</u>



Notes to the Condensed Interim Consolidated Financial Statement - Continued

8. Income Tax Expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual profit. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	Unaudited 6 months ended	
	30-Sep-22 S\$'000	30-Sep-21 S\$'000
Current income tax expense	114	197
	<u>114</u>	<u>197</u>

9. (Loss)/Earnings per share (EPS)

	Group	
	Unaudited 6 months ended	
	30-Sep-22 S\$'000	30-Sep-21 S\$'000
Net profit attributable to equity holders of the Company	(1,652)	393
Weighted average number of ordinary shares outstanding for the basic earnings per share	303,727,293	283,172,620
Diluted weighted average number of ordinary shares outstanding for the basic earnings per share	325,727,293	286,463,604
Basic EPS (cents per share)	(0.54)	0.14
Diluted EPS (cents per share)	(0.51)	0.14

10. Net Assets Value

	Group		Company	
	30-Sep-22 S\$'000	31-Mar-22 S\$'000	30-Sep-22 S\$'000	31-Mar-22 S\$'000
	(unaudited)	(audited)	(unaudited)	(audited)
Net asset value ("NAV") per ordinary share	9.11	9.84	11.53	11.70

NAV per ordinary share for the Group and Company as at 30 September 2022 and 31 March 2022 were calculated based on the net assets value attributable to equity holders of the Company as at the end of the respective balance sheet dates and the respective aggregate number of ordinary shares of 303,727,293 ordinary shares in issue.

11. Cash and Cash Equivalents

	Group		Company	
	30-Sep-22 S\$'000	31-Mar-22 S\$'000	30-Sep-22 S\$'000	31-Mar-22 S\$'000
	(unaudited)	(audited)	(unaudited)	(audited)
Cash and bank balances	8,374	7,641	114	476
Short term bank deposits	600	2,116	-	-
	<u>8,974</u>	<u>9,757</u>	<u>114</u>	<u>476</u>



Accrelist Ltd
ROC. 198600445D

Notes to the Condensed Interim Consolidated Financial Statement - Continued

12. Financial assets, at fair value through profit or loss ("FVPL")

	Group	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
Beginning of financial year/period	9,263	9,263
Fair value gain	(2,193)	(2,193)
End of financial year/period	<u>7,070</u>	<u>7,070</u>
Listed equity securities - Singapore	30	30
Listed equity securities - Malaysia	7,040	7,040
	<u>7,070</u>	<u>7,070</u>

13. Financial assets, at fair value through other comprehensive income ("FVOCI")

	Group	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
Beginning and end of financial period/year	<u>47</u>	<u>47</u>
Financial assets, at FVOCI are analysed as follows:		
Non-current - Quoted equity securities	<u>47</u>	<u>47</u>

14. Trade and other receivables

	Group		Company	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
<u>Current</u>				
<u>Trade receivables:</u>				
Non-related parties	17,909	20,627	-	-
Less: Loss allowance	(1,987)	(3,505)	-	-
	<u>15,922</u>	<u>17,122</u>	<u>-</u>	<u>-</u>
<u>Other receivables:</u>				
Subsidiary corporations	-	-	4,838	10,196
Less: Loss allowance	-	-	(1,611)	(1,611)
	-	-	<u>3,227</u>	<u>8,585</u>
Related party	526	546	-	-
Amount owing from director	-	25	-	15
Advance to suppliers	-	599	-	-
Other receivables - non-related parties	3,187	3,564	123	107
Less: Loss allowance	(2,659)	(2,659)	-	-
	<u>1,054</u>	<u>2,075</u>	<u>3,350</u>	<u>8,707</u>
	<u>16,976</u>	<u>19,197</u>	<u>3,350</u>	<u>8,707</u>

The other receivables from subsidiary corporations and related party are unsecured, interest-free and repayable upon demand.



Notes to the Condensed Interim Consolidated Financial Statement - Continued

15. Inventories

	Group	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
Raw materials	1,718	2,228
Work-in-progress	38	104
Finished goods	1,538	1,702
Trading goods	13,936	16,017
	<u>17,230</u>	<u>20,051</u>

16. Other current assets

	Group		Company	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
Deposits	1,447	1,215	-	-
Prepayments	643	155	-	9
	<u>2,090</u>	<u>1,370</u>	<u>-</u>	<u>9</u>

17. Intangible assets

	Group		Company	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
Computer software licenses	53	13	-	-
Distribution rights	1,131	1,617	-	-
	<u>1,184</u>	<u>1,630</u>	<u>-</u>	<u>-</u>

18. Trade and other payables

	Group		Company	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
<u>Trade payables</u>				
Non-related parties	17,092	18,040	-	-
<u>Other payables</u>				
Non-related parties	83	1,056	55	20
Accrued operating expenses	1,010	2,452	292	222
Defined benefits obligation	-	1,778	-	-
Advances received from customers	1,297	1,340	-	-
Loan from a director	493	519	-	-
Deposit received	5,060	4,529	-	-
Subsidiary corporations	-	-	-	5,320
	<u>7,943</u>	<u>11,674</u>	<u>347</u>	<u>5,562</u>
	<u>25,035</u>	<u>29,714</u>	<u>347</u>	<u>5,562</u>

Loan from a director is unsecured, interest-free and repayable upon demand.



Notes to the Condensed Interim Consolidated Financial Statement - Continued

19. Borrowings

	Group	
	30-Sep-22 S\$'000 (unaudited)	31-Mar-22 S\$'000 (audited)
Non-current		
Bank loans I	1,610	1,260
Lease liabilities	1,924	2,100
Loans from non-related parties	450	450
	<u>3,984</u>	<u>3,810</u>
Current		
Bank overdraft	433	433
Bank loans I	76	76
Bank loans II	7,740	6,466
Lease liabilities	1,861	2,346
Loans from non-related parties	1,500	2,000
	<u>11,610</u>	<u>11,321</u>
Total borrowings	<u>15,594</u>	<u>15,131</u>

Loans from non-related parties are unsecured, interest bearing from 2% and 8% per annum and are repayable in full on 21 March 2023 and 3 March 2025 respectively.

(a) Details of collateral

Bank overdrafts of the Group are secured by the immediate and ultimate holding corporation's bank deposits, certain bank deposits of the Group, personal guarantee by the directors of the subsidiary corporations, debenture of the subsidiary corporations and certain leasehold properties of the Group.

Bank borrowings of the Group and of the Company are secured by the investment in EG Industries Berhad ("EG"), certain bank deposits of the Group, and corporate guarantee of the immediate and ultimate holding corporation.

Finance lease liabilities of the Group are effectively secured over the leased motor vehicles as the legal title are retained by the respective lessors and will be transferred to the Group upon full settlement of the finance lease liabilities. The financial lease liabilities are also secured by the corporate guarantee of the Company.

20. Share capital

	Number of ordinary shares '000	Share Capital S\$'000
Group		
At 31 March and 30 September 2022	<u>303,727</u>	<u>74,315</u>
Company		
At 31 March and 30 September 2022	<u>303,727</u>	<u>115,006</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

The difference in amounts in the Group's and the Company's share capital is due to the reverse takeover exercise in the past.

There were no outstanding share option as at 30 September 2022.

There were no purchase, sale, transfer, disposal, cancellation and use of treasury shares and subsidiary holdings during the six months ended 30 September 2022.



Other Information Required by Appendix 7C of the Catalyst Rules

21. Review

The condensed interim consolidated statements of financial position of Accrelist Ltd. (the "Company", together with its subsidiaries, the "Group") and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by Company's auditors.

22. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

23. Review of Group Performance

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Please note that all numerical figures are approximate as they have been rounded to the nearest thousand or nearest one decimal place, as the case may be.

Consolidated Statement of Profit or Loss

In the six months financial period ended 30 September 2022 ("HY2023"), the Group registered a turnover of S\$50.7 million. This represents a decrease of S\$60.9 million as compared to S\$120.6 million for the comparative six months financial period ended 30 September 2021 ("HY2022").

AMS provided through Accrelist Medical Aesthetics group of companies, branded as A.M Aesthetics, in HY2023 generated a revenue of S\$6.6 million with profit before income tax of S\$0.9 million. Compared to HY2022, revenue increased by 24.5% or S\$1.3 million from \$5.3 million. The increase was largely due to expansion of the current medical aesthetic outlets to larger units with enhanced marketing. Gross profit margins ("GP%") has also improved by 26.4% from 50.8% to 77.2% in HY2022 and HY2023 respectively. This is mainly due to the rise in sale of products and services with greater margins. Despite this, profit has decreased by S\$0.3 million from S\$1.2 million in HY2022 to S\$0.9 million in HY2023. This is mainly due to the expansion of a further 2 clinics which was set up in late HY2023 incurring start cost without corresponding revenue.

The geopolitical unrest in Ukraine-Russia and the continued restrictions and lockdown to control the spread of Covid-19 in China has affected the performance of MBU. Turnover for MBU decreased by 26.1% from S\$15.3 million in HY2022 to S\$11.3 million in HY2023. The continuing COVID-19 measures in China resulted in major customers of MBU to overstock inventory in anticipation of the prolong lockdowns. Meanwhile, tensions over in Ukraine-Russia has created challenges as our customers are holding back their manufacturing, resulting in weaker demands and delays in project launches for end of life product models. Due to the latter, sales had declined while there were fixed overheads incurred, resulting in the loss.

For HY2023, EBU closed with S\$32.5 million which is a decrease of 67.5% as compared to S\$100.0 million achieved for HY2022. Despite lower revenue, the GP% for HY2023 improved from 4.3% to 7.2% and this is attributed to better cost containment measures. The decrease in revenue is due to the sharp decline in the demand of smartphones in China coupled with the global shortage in microcontroller units. Microcontroller units are used in the manufacture of smartphones where China contributes about 70% of EBU total revenue in HY2022. China is a large business region for EBU with more than 60% of our business partners residing in the country. Mobile phone manufacturers have also adjusted their forecast down by more than 30%. With this situation, it led to revenue being protracted to spiral downwards as compared to HY2022. To exacerbate matters, although most economies have open up despite Covid still being prevalent, China is still adhering to its "Dynamic Zero" policy to curb the spread of COVID-19. This policy has a significant impact on China's own captive market demands, and has caused much disruption to logistics and manufacturing because China is still an indispensable global production hub. Demand for non-essential electronic devices also took a hit where consumers are vigilant on spending due to gloom in global economy.



Other Information Required by Appendix 7C of the Catalyst Rules (continued)

Review of Group Performance - Continued

Consolidated Statement of Profit or Loss - Continued

The Group's gross profit decrease by S\$2.2 million or 23.8% from S\$9.3 million in HY2022 to S\$7.1 million in HY2023. However, the overall GP% of the Group improved by 6.3% from 7.7% in HY2022 to 14.0% in HY2023. This is achieved through the EBU on greater cost containment efforts in view of rising logistics and transportation costs and the ability to capitalise margin on chip shortages as official distributors.

Other losses increased by S\$0.8 million from a loss of S\$0.1 million for HY2022 to S\$0.8 million in HY2023. The increase was largely due to foreign exchange losses of S\$0.9 million. The Group and its subsidiary corporations transact in various foreign currencies and recognises foreign exchange gains or losses as a result of transactions denominated in foreign currencies and translate receivables, cash and payables denominated in foreign currencies to the functional currencies of the respective companies in the Group as at the reporting date. As the Group reports in Singapore Dollar, a movement in exchange rate for the foreign currencies against Singapore Dollar contributes to a foreign exchange gain/(loss) exposure.

Total operating expenses increased from S\$8.3 million in HY2022 to S\$9.3 million in HY2023. Marketing and distribution expenses increased by approximately S\$0.6 million from S\$0.6 million in HY2022 to S\$1.2 million in HY2023. This is attributed to the increase in clinic supplies and enhanced marketing efforts by AMS. Administrative expenses for the Group increased by S\$0.4 million from S\$7.5 million for HY2022 to S\$7.9 million for HY2023. The increase was mainly due to higher staff-related costs. Finance expenses has maintained relatively constant at S\$0.2 million for both HY2022 and HY2023.

Consolidated Statements of Financial Position

Non-current assets comprised property, plant and equipment, intangible assets, and financial assets at fair value through other comprehensive income. Total non-current assets decreased by 4.2% from S\$20.3 million as at 31 March 2022 to S\$19.5 million as at 30 September 2022. The decrease is mainly due to the reduction in intangible assets of S\$0.4 million from S\$1.6 million as at 31 March 2022 to S\$1.2 million as at 30 September 2022 as a result of amortisation costs. This decrease is also due to a decrease in property, plant and equipment of \$0.4 million as a result of depreciation of S\$0.9 million, offset by further purchases of S\$0.5 million.

Current assets comprised of inventories, trade and other receivables, other assets, financial assets at fair value through profit or loss, contract assets and cash and cash equivalents. Total current assets amounted to S\$52.4 million as at 30 September 2022 as compared to S\$57.5 million as at 31 March 2022. The decrease of S\$5.1 million is mainly attributable to the decrease in inventories and trade and other receivables of S\$2.9 million and S\$2.2 million respectively. Inventories decreased due to from the lower inventories held by the Group's EBU for more prudent inventory management and aggressive clearance of older inventories. Trade and other receivables decreased in line with trade and other payables where receipts from customers are used to pay down suppliers.



Other Information Required by Appendix 7C of the Catalyst Rules (continued)

Review of Group Performance - Continued

Consolidated Statements of Financial Position - Continued

Non-current liabilities comprised deferred tax liabilities and borrowings. Total non-current liabilities amounted to S\$5.0 million as at 30 September 2022 as compared to S\$4.8 million as at 31 March 2022. The increase is largely due to an increase in loan borrowings.

Current liabilities comprised of borrowings, trade and other payables, contract liabilities and income tax payable. Total current liabilities amounted to S\$39.3 million as at 30 September 2022 as compared to S\$43.1 million as at 31 March 2022. The decrease is mainly due to the decrease in trade and other payables offset by the increase in borrowings and contract liabilities which the latter is due to a selling greater AMS aesthetic packages which have not been consumed.

The Group had reported a positive working capital of S\$13.1 million as at 30 September 2022. Working capital decrease by S\$1.3 million as compared to S\$14.4 million as at 31 March 2022. This decrease is mainly due to greater decline in trade and other receivables and inventories than the drop in trade and other payables.

Consolidated Statement of Cash Flows

Net cash flow used in operating activities for HY2023 was S\$0.3 million, comprising operating loss before working capital changes of S\$0.4 million and working capital inflow of S\$0.1 million. The working capital inflow was mainly due to the decrease in inventories, and trade and other receivables, offset by the increase in assets and decrease in trade and other payables. Income taxes paid of S\$0.01 million also added to the working capital outflow. Net cash used in investing activities for HY2023 of S\$0.7 million was mainly due to the acquisition of property, plant and equipment and intangible asset of S\$0.4 million and S\$0.3 million respectively. Cash provided by financing activities of S\$0.2 million was largely due to the drawdown of borrowing proceeds of S\$0.4 million, offset by interest paid of S\$0.2 million. The Group recorded a net decrease in cash and cash equivalents of S\$0.8 million for HY2023.

24. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No prospect statement or forecast has been previously disclosed to shareholders.

25. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or event that may affect the group in the next reporting period and the next 12 months.

With the current COVID-19 situation easing, the Group is cautiously optimistic and will work and devote its resources to seek new business opportunities while maintaining vigilance in response to the volatile operating environment as it carries out its expansion strategies.

The Company has increased its local medical aesthetic clinics from 5 to 7 in FY2022 where it has expanded not only in the heartland area of Serangoon but also setting up its first clinic in the town area at Raffles City. There was also a clinic expansion for Bedok Mall and SingPost Centre to meet the growing customer demand and to provide an enhanced customer experience. They are known as the Accrelist Medical Aesthetics group of companies and branded as A.M Aesthetics. Aligned with the expansion strategy, in HY2023, the Company decide on moving in at greater lengths to the town area and opened 2 clinics at Orchard Central and Central@Clarke Quay. This makes it a total of 9 clinics across Singapore with plans for further expansion in the northern region of Singapore.

With the increasing social acceptance and demand in the aesthetic medical services sector, and easing of COVID-19 situation, it would bring in long-term growth for the Company, which resulted in an improvement in A.M. Aesthetics revenue for current period by S\$1.1 million (20.8%), from S\$5.3 million in HY2022 to S\$6.4 million in HY2023.

Besides increased growth in medical aesthetic clinics, the Company also expanded its business on clinical skin care products through its subsidiary, A.M Skincare Pte. Ltd. ("A.M Skincare"). A.M Skincare would develop Original Design Manufacturer ("ODM") products with advisory and inputs from the Korean dermatologist. It would also carry non-ODM skin products which are renowned brands from Korea in A.M. Aesthetics clinics and online from A.M. Aesthetics website.



Accrelist Ltd
ROC. 198600445D

Other Information Required by Appendix 7C of the Catalyst Rules (continued)

25. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or event that may affect the group in the next reporting period and the next 12 months. (Continued)

With the current economic climate, the Group expects the operating environment to grow increasingly challenging as rising interest rate and inflation will put pressure on operating cost, increase currency volatilities as well as pressure on the semiconductor chip manufacturers and suppliers due to global chip shortage, resulting in earlier stockpiling of chips by customers which could result in a softening of short-term demand. The volatility of foreign exchange against US Dollar and rising resin prices (our principal raw material for MBU), and higher logistics costs and operating costs, the Group foresees business headwinds to continue to the end of the financial year. On the MBU front, despite the weaker demands and delays in project launches for end of life product models, the Group expects a gradual recovery of business momentum as new products begin to be launched in the later half of the year. The Group's strategy continues to maintain a diversified customer mix and product portfolio to ensure business resilience and stability for both its business segments. It will continue to work on initiatives to better manage cost and operational efficiency with a focus on products with longer life cycles and higher growth potential. The Group will continue to implement its growth strategies to grow revenue and capture new opportunities in the countries it operates.

The global economic outlook remains shrouded by a host of risks that could potentially derail growth in 2022, ranging from the Russia-Ukraine war, challenges in the supply chain and raw material production, rising inflationary pressures, interest rates and continued pricing pressures from customers, a slowdown in customer demands in addition to China measures in response to the resurgence of Covid-19 cases in the country have also led to heightened operating challenges and wider ramifications for businesses worldwide coupled with escalating operating costs for the business with the increases in energy costs, transport and labour are challenges for MBU moving into the year. MBU will continue to stay focus on its strategy of diversifying its customer base and expand product offering with higher margins such as the development of sub module assemblies for automotives to increase revenue amidst the general automotive industry slowdown. MBU also received softening delivery instructions from customers in the Consumer/IT segment and this was leverage by the the unit's venture into construction products. Mold fabrications remain robust with new orders received from various business segments. This reflects positive market sentiments and MBU will continue to explore this business with investment for new tool fabrications. The forward visibility for MBU remains challenging and yet optimistic. MBU will continue its efforts to explore product mixes and business opportunities from both new and existing customers, tighten costs and improve overall operational efficiency.

With the sharp decline in the demand of smartphones in China, mobile phone manufacturers have adjusted their forecast down. This is coupled with the global shortage in microcontroller units which is used in the manufacture of smartphones. Due to such a situation, China being a large revenue contributor to EBU, resulted in a drop on the Group's overall revenue. Furthermore, China has been adhering to its "Dynamic Zero" policy to curb the spread of COVID-19 and this has caused much disruption to logistics and manufacturing because China is still an indispensable global production hub. It is only of recent that China would be dispensing with this policy. Hence, the Company would be maintaining a vigilant lookout as market price will remain volatile, managed with better cost containment.



Accrelist Ltd
ROC. 198600445D

Other Information Required by Appendix 7C of the Catalist Rules (continued)

26. Dividends

26.(a) Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for the financial period ended 30 September 2022 as the Company deems it necessary to preserve cash for this HY2023.

26.(b) Any dividend declared for the corresponding period of the immediately preceding financial year?

Not applicable.

26.(c) Date payable

Not applicable.

26.(d) Book closure date

Not applicable.

27. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended for the financial period ended 30 September 2022 as the Group intends to conserve cash for future investments.

28. Interested person transaction ("IPT")

There was no IPT greater than S\$100,000 for HY2023. The Group does not have a general mandate from its shareholders for IPT's.

29. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the required format.



Accrelist Ltd
ROC. 198600445D

Confirmation by the Board of Directors

On behalf of the Board of Directors of the Company, I, the undersigned, hereby confirm to the best of my knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 September 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Dr Terence Tea
Executive Chairman and Managing Director

Singapore
13 January 2023