



OXPAY FINANCIAL LIMITED
 (Company Registration Number: 200407031R)
 (Incorporated in the Republic of Singapore)

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

The board of directors (the “**Board**”) of OxPay Financial Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement on 29 February 2024 (“**Announcement**”) relating to the unaudited condensed interim consolidated financial statements of the Group for the six months and full year ended 31 December 2023 (“**FY2023**”) (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that subsequent to the release of the Unaudited Financial Statements and following the finalisation of the audit of the financial statements of the Group for FY2023 (the “**Audited Financial Statements**”), the external auditors of the Company have proposed certain audit adjustments and reclassifications between the Unaudited Financial Statements and the Audited Financial Statements, which the management of the Company has adopted accordingly. The details and explanations of the material variances between the Unaudited Financial Statements and the Audited Financial Statements are set out below:

Consolidated Statement of Profit or Loss And Other Comprehensive Income for FY2023

	Audited Financial Statements S\$'000	Unaudited Financial Statements S\$'000	Variance S\$'000	Notes
Revenue	8,323	8,328	(5)	1
Cost of sales	(5,872)	(5,883)	(11)	2
Gross profit	<u>2,451</u>	<u>2,445</u>	6	
Other income	99	63	36	3
Gain on derecognition of associate	520	-	520	4
Administrative expenses	(5,070)	(5,078)	(8)	5
Impairment loss on property, plant and equipment	(10)	-	10	6
Other operating expenses	(216)	(203)	13	7
Finance income	864	895	(31)	3,8
Tax expenses	<u>(2)</u>	<u>-</u>	2	9

Consolidated Statements of Financial Position as at 31 December 2023

	Audited Financial Statements <u>S\$'000</u>	Unaudited Financial Statements <u>S\$'000</u>	Variance <u>S\$'000</u>	<u>Notes</u>
Non-current assets				
Property, plant and equipment	107	125	(18)	6,7
Intangible assets and goodwill	257	221	36	10,7
Financial assets at fair value through other comprehensive income ("FVOCI")	493	-	493	4,11
Current assets				
Trade and other receivables	6,454	6,495	(41)	12
Cash and cash equivalents	9,396	9,397	(1)	13
Current liabilities				
Trade and other payables	11,791	11,812	(21)	1,14
Current tax payable	2	-	2	9
Equity				
Currency translation reserve	169	168	1	13
Fair value reserve	(27)	-	27	4,11
Accumulated losses	(51,374)	(51,874)	(500)	15
Non-controlling interests	(397)	(411)	(14)	13

Consolidated Statements of Cash Flows for FY2023

	Audited Financial Statements <u>S\$'000</u>	Unaudited Financial Statements <u>S\$'000</u>	Variance <u>S\$'000</u>	<u>Notes</u>
Net cash used in operating activities	(13,509)	(13,559)	(50)	1 – 8
Net cash used in investing activities	(71)	(32)	39	10, 16
Net cash generated from financing activities	765	805	(40)	17

Notes:

1. Net adjustment of S\$5,000 consisted mainly of S\$19,000 adjustment (debit) related to amount (merchant's transaction value) yet to be received from the acquirer for which revenue recognition was not met as at 31 December 2023 and the effect of foreign currency translation differences relating to financial statements of foreign subsidiaries (S\$14,000 – credit).
2. The effect of foreign currency translation differences relating to financial statements of foreign subsidiaries.
3. Reclassification of foreign exchange gain of S\$36,000 from finance income to other income.
4. Recognition of gain on derecognition of associate of S\$520,000 from the investment in PT Iforte Payment Infrastructure (“**PT Iforte**”). In June 2023, the Group ceased equity accounting for its investment in PT Iforte as an associate with the decrease in its equity interest in PT Iforte from 24% to 6.9% and recognised its retained equity interest in PT Iforte as financial asset at FVOCI. The Group recognised a gain on derecognition of associate of S\$520,000 based on the fair value of the retained equity interest of 6.9%.
5. The effect of foreign currency translation differences relating to financial statements of foreign subsidiaries.
6. Adjustment of impairment loss on property, plant and equipment of S\$10,000.
7. Adjustment of loss on disposal of property, plant and equipment of S\$8,000, write-off of intangible assets of S\$4,000 and the effect of foreign currency translation differences relating to financial statements of foreign subsidiaries of S\$1,000.
8. Reclassification of S\$36,000 from finance income to other income and S\$5,000 adjustments due to the effect of foreign currency translation differences relating to financial statements of foreign subsidiaries.
9. Adjustment in respect of current tax expense of S\$2,000.
10. Reclassification of S\$40,000 from prepayment to intangible assets.
11. In June 2023, the Group ceased equity accounting for its investment in PT Iforte as an associate with the decrease in its equity interest in PT Iforte from 24% to 6.9%, and recognised its retained equity interest in PT Iforte as financial asset at FVOCI.
12. Reclassification of S\$40,000 from prepayment to intangible assets and year-end translation loss of S\$1,000.
13. Adjustment due to exchange differences.
14. Adjustment of S\$19,000 to merchant's transaction value yet to be received from the acquirer and S\$2,000 year-end translation differences.
15. Net effect of adjustments to profit or loss on accumulated losses as at 31 December 2023.
16. Adjustment of “Purchase of property, plant and equipment” from S\$35,000 to S\$34,000.
17. Reclassification of S\$40,000 to interest on bank borrowing from operating activities to financing activities.

Save as set out above, there are no material adjustments in the Consolidated Statement of Profit or Loss and Other Comprehensive Income for FY2023, Consolidated Statements of Financial Position as at 31 December 2023 and Consolidated Statements of Cash Flows for FY2023.

Shareholders of the Company are advised to read this announcement in conjunction with the Audited Financial Statements as set out in the Company's annual report for FY2023, which will be released in due course.

By Order of the Board

Yick Li Tsin

Executive Director and Chief Executive Officer

10 April 2024

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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 contact person for the Sponsor is Ms. Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.