

NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400571K)

DIFFERENCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

The board of directors (the “**Board**”) of New Silkroutes Group Limited (the “**Company**”) refers to its unaudited full year financial results announcement for the 12-month period ended 30 June 2019 (“**FY2019**”) released via SGXNET on 27 August 2019 (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(6) of the Listing Manual, the Board wishes to highlight and clarify the material differences between the Unaudited Financial Statements and the audited financial statements for FY2019 contained in the Annual Report. The material differences and the reasons for such material differences are set out in the explanatory notes below.

	As per Unaudited Financial Statements	As per Audited Financial Statements	Variance	Note
	US\$'000	US\$'000	US\$'000	
Consolidated Statement of Profit or Loss and Other Comprehensive income				
Fair value loss on equity investments at fair value through other comprehensive income	(2,090)	(1,936)	(154)	(i)
Consolidated Statement of Financial Position				
Non-current assets				
Financial assets at fair value through other comprehensive income	19,583	19,737	(154)	(i)
Long term receivables	3,073	3,415	(342)	(ii) & (iii)
Current assets				
Trade and other receivables	31,512	30,370	1,142	(ii)
Equity				
Other reserves	(6,776)	(6,622)	(154)	(i)
Accumulated losses	(36,063)	(36,863)	800	(iii)
Non-current liabilities				
Borrowings	3,730	96	3,634	(iv)
Other payables	3,596	5,046	(1,450)	(v)
Current liabilities				
Trade and other payables	46,244	44,795	1,449	(v)
Borrowings	22,883	26,517	(3,634)	(iv)

Explanatory Notes for the material variances:

- (i) Adjustment on fair value based on the valuation report prepared by the independent professional valuers.
- (ii) Reclassification of US\$1,141,656 from current receivables to long term receivables.

- (iii) Provision of expected credit loss of US\$800,000 on the long-term receivables arising from adoption of SFRS(I) 9.
- (iv) Reclassification of a term loan of US\$3,633,361 from non-current to current. The reclassification of the term loan was due to SFRS (1) 1-1 notwithstanding that a waiver has been obtained from the financial institution for the breach of a financial covenant.
- (v) Reclassification of US\$1,450,400 from current payables to non-current payables.

BY ORDER OF THE BOARD

Dr Goh Jin Hian
Executive Director and Chief Executive Officer

10 October 2019