



**ACROMETA GROUP LIMITED**  
**(Company Registration No.: 201544003M)**  
**(Incorporated in the Republic of Singapore)**

**MATERIAL VARIANCES BETWEEN THE AUDITED AND UNAUDITED FINANCIAL STATEMENTS  
AND UNQUALIFIED AUDIT OPINION FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER  
2023**

The Board of Directors (the “**Board**” or the “**Directors**”) of AcroMeta Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the unaudited full year financial statements announcement for the financial year ended 30 September 2023 (“**FY2023**”) released by the Company on 29 November 2023 (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 and subsequent to the release of the Unaudited Financial Statements, the Board wishes to announce and clarify the material variances between the audited financial statements for FY2023 (the “**Audited Financial Statements**”) (“**Independent Auditor’s Report**”) and the Unaudited Financial Statements following the completion of the FY2023 audit. The details of which are shown in the tables below.

<b>Consolidated Statement of Comprehensive Income of the Group</b>	<b>Audited FY2023</b>	<b>Unaudited FY2023</b>	<b>Variance FY2023</b>	<b>Note</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	
Other operating income	776,802	200,750	576,052	1, 5
Profit for the year from continuing operations	2,752,868	2,219,816	533,052	1
Loss for the year	(12,467,722)	(13,000,774)	533,052	1
Loss attributable to owners of the Company from continuing and discontinued operations	(6,958,329)	(7,491,381)	533,052	1
Profit attributable to owners of the Company from continuing operations	2,866,112	2,333,060	533,052	1
Losses per share from continuing and discontinued operations – Basic and diluted (cents)	(2.99)	(3.22)	0.23	1
Earnings per share from continuing operations – Basic and diluted (cents)	1.23	1.00	0.23	1

<b>Statements of Financial Position for the Group</b>	<b>Audited FY2023</b>	<b>Unaudited FY2023</b>	<b>Variance FY2023</b>	<b>Note</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	
Goodwill	2,532,739	1,976,001	556,738	2
Trade and other payables	19,630,362	19,641,118	(10,756)	3
Trade and other payables – non-current	651,390	1,150,000	(498,610)	3
Non-controlling interests	(4,974,966)	(5,508,018)	533,052	4
Net asset value	3,104,205	2,571,153	533,052	1
Net asset value per share (cents)	1.12	0.93	0.19	1

The variances were due to the provisionally determination of the purchase price allocation of acquisition of subsidiary by an independent valuer engaged by the Company. On May 26, 2023, the Group acquired 40% of the total issued and paid-up share capital of its previously 30% owned associate, Life Science Incubator Pte. Ltd. (“**LSI**”) for a total purchase consideration of S\$1,600,000. LSI is an entity incorporated in Singapore with its principal activity of managing and operating of fitted laboratory space for research and technology. Following completion of the acquisition, LSI is a 70% owned subsidiary of the Group. The Group has paid a consideration of S\$200,000 and remaining consideration of S\$1,400,000 would be paid in tranches on the realisation of agreed milestones.

Note:

1. The fair value at the date of acquisition of the previously held interest has been determined to be S\$683,052 and a gain on remeasurement to fair value amounting to S\$650,823 (Unaudited Financial Statements: S\$117,771) has been recognised.
2. The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of LSI, and as a result, provisional goodwill arising on acquisition has been determined to be S\$2,349,309 (Unaudited Financial Statements: S\$1,792,571).
3. The fair value of remaining consideration of S\$1,400,000 has been provisionally determined to be S\$890,634 (Unaudited Financial Statements: S\$1,400,000) and has been recognised as contingent consideration payable and is presented as “Trade and other payables”.
4. Non-controlling interest of 30% in LSI recognised at acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to S\$683,052 (Unaudited Financial Statements: S\$150,000) by applying an income approach.
5. Included in “Other operating income” was a S\$43,000 related to a reclassification from “Administrative expenses” due to presentation.

The initial accounting for the acquisition of LSI has been provisionally determined at the end of the reporting period after assessment of the fair values of the acquired assets and assumed liabilities and supported by independent third party professional valuation report. Under SFRS(I) 3 Business Combinations, the Group is required to allocate the purchase price between the acquired assets and liabilities, which could give rise to the recognition of tangible and intangible assets and goodwill or recognition of a gain on bargain purchase. This process of Purchase Price Allocation (“**PPA**”) requires the exercise of significant judgement and estimates and involves a certain degree of complex valuation considerations.

Notwithstanding that the Company’s independent auditors, Deloitte & Touche LLP (the “**Auditors**”), had issued an unqualified opinion on the Audited Financial Statements, the Board wishes to announce that the unqualified opinion draws an attention to a material uncertainty related to going concern and an extract of the Independent’s Auditor Report on page 58 to the 2023 Annual Report is presented below for information.

“Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the accompanying financial statements, which indicates that the Group recorded a total comprehensive loss of S\$12,473,118 for the financial year ended September 30, 2023 and as of that date, the Group is in a net current liability and net liability position of S\$6,893,538 and S\$1,870,761 respectively. Management has prepared a cash flow forecast of the Group up till January 2025 with certain key assumptions, and has concluded that the Group will have sufficient financial resources to continue as a going concern for at least the next twelve months from the date of authorisation of the accompanying financial statements.

In the event that the Group is unable to achieve its targeted cash inflow arising from its core business at an amount sufficient to repay its obligations when due, including any potential additional payment pertaining to the waste-to-energy plant which the Group may be required to make, the Group may be unable to discharge its liabilities in the normal course of business.

This indicates the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern.

Our opinion is not modified in respect of this matter.”

The Independent Auditor's Report, together with the Audited Financial Statements, will form part of the Company's annual report for FY2023 (“**2023 Annual Report**”) which has been released separately on SGXNet on 15 January 2024. Shareholders of the Company are advised to read this announcement in conjunction with the 2023 Annual Report.

**BY ORDER OF THE BOARD**

Lim Say Chin  
Executive Director and Chief Executive Officer  
15 January 2024

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*This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange"), and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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