



ANAN INTERNATIONAL LIMITED

(Incorporated in Bermuda)
(Company Registration No. 35733)

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

The Board of Directors (“**Board**”) of AnAn International Limited (“**Company**”, and together with its subsidiaries, “**Group**”) refers to the unaudited full year financial results announcement for the financial year ended 31 December 2023 (“**FY2023**”) released via the SGXNet on 29 February 2024 (“**Unaudited Financial Statements**”). Further reference is made to the Audited Financial Statements of the Company for FY2023 (“**Audited Financial Statements**”) which will be provided to shareholders and the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in due course.

Pursuant to Rule 704(6) of the Listing Manual, the Board wishes to highlight that there are certain adjustments made to the consolidated financial statements of the Group in the Audited Financial Statements compared to what was disclosed in the Unaudited Financial Statements. The adjustments were made following the finalisation of the audit and a summary of the adjustments is set out below.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

<u>Group</u>	Twelve months ended	Twelve months ended	Variance US\$'000	Note
	31 Dec 2023 US\$'000 (Audited)	31 Dec 2023 US\$'000 (Unaudited)		
Revenue	2,565,928	2,567,324	(1,396)	(a)
Cost of sales	(2,451,472)	(2,452,868)	1,396	(a)
Gross profit	114,456	114,456	-	
Other income	6,953	6,953	-	
Selling and distribution expenses	(86,925)	(87,019)	94	(b)
Administrative expenses	(4,280)	(4,541)	261	(c)
Other operating income / (expenses)	1,909	1,906	3	(d)
Net impairment loss on receivables	(2,006)	(4,177)	2,171	(e)
Bad debt written off	(2,674)	(263)	(2,411)	(e)
Finance costs	(9,441)	(9,441)	-	
Share of results of associates and joint ventures (net of tax)	846	846	-	
Profit before income tax	18,838	18,720	118	
Income tax expense	(6,002)	(6,090)	88	(f)
Profit from continuing operations	12,836	12,630	206	
Discontinued operation				
Loss from discontinued operation (net of tax)	(280)	-	(280)	(c)
Profit for the year	12,556	12,630	(74)	(a) to (f)
Other comprehensive income:				
Item that may be reclassified subsequently to profit or loss				
Currency translation differences arising from consolidation	3,490	3,490	-	
Other comprehensive income, net of tax	3,490	3,490	-	
Total comprehensive income for the year	16,046	16,120	(74)	(a) to (f)
Profit attributable to:				
Equity holders of the Company	5,628	5,664	(36)	
Non-controlling interests	6,928	6,966	(38)	
Profit for the year	12,556	12,630	(74)	(a) to (f)
Total comprehensive income attributable to:				
Equity holders of the Company	9,406	9,442	(36)	
Non-controlling interests	6,640	6,678	(38)	
Total comprehensive income for the year	16,046	16,120	(74)	(a) to (f)

Explanatory Notes: -

- (a) The difference was due to reclassification of accounts for value-added tax.
- (b) The difference was due to FY2023 audit adjustment for overprovision of staff costs.
- (c) The net difference of US\$261,000 consists of reclassification of loss from discontinued operation amounting to US\$280,000 from administrative expenses and FY2023 audit adjustment for under-accrual of the Group's FY2023 audit fee amounting to USD19,000.
- (d) The difference was due to FY2023 audit adjustment for loss on disposal of a subsidiary.
- (e) The difference of US\$2,411,000 consists of reclassification of net impairment loss on receivables to bad debt written off amounting to US\$2,171,000 and FY2023 audit adjustment for bad debt written off amounting to USD240,000.
- (f) The difference was due to FY2023 audit adjustment for overprovision of income tax expense, resulting from overprovision of staff costs.

The Company would like to highlight to shareholders that there are other reclassifications made to certain line items in the Audited Financial Statements which do not have any net impact on the Group's financial results. The Board is hence of the opinion that these reclassifications are not material, except for the adjustments and reclassifications set out in the above explanatory notes.

Shareholders are advised to read the Audited Financial Statements set out in the Company's annual report for FY2023 in its entirety, which will be despatched in due course.

BY ORDER OF THE BOARD

Zang Jian Jun
Executive Director and Executive Chairman
2 May 2024