Accrelist Ltd
ROC. 198600445D

MATERIAL DIFFERENCE BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS

The Board of Directors (the "**Board**") of Accrelist Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 29 August 2023 in relation to the unaudited full-year financial results (the **"Unaudited Financial Statements"**) for the financial year ended 31 March 2023 ("**FY2023**").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Board wishes to announce that subsequent to the release of the Unaudited Financial Statement, there were certain reclassifications and adjustments made to the Unaudited Financial Statements, following the finalisation of the audit.

The detailed explanations with corresponding line items are set out as follows:-

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group			
	12 months ended			
	31-Mar-23 S$'000	31-Mar-23 S$'000	Variance S$'000	Please refer to Note
	(audited)	**(unaudited)**		
Continuing Operations :				
Revenue	36,541	35,018	1,523	1
Cost of sales	(30,652)	(25,294)	5,358	2
Gross loss	**5,889**	**9,724**		
Other gains/(losses), net	2,977	5,600	(2,623)	3
Expenses:				
Distribution and marketing	(1,221)	(2,260)	(1,039)	2
Administrative	(9,990)	(12,343)	(2,353)	2
Finance	(291)	(148)	143	4
(Loss)/Profit before income tax	**(2,636)**	**573**		
Income tax expense	(41)	(246)	(205)	5
(Loss)/Profit after income tax from continuing operations	(2,677)	327		
Discontinued Operations :				
Loss for the year from discontinued operation	(7,372)	(3,494)	3,878	6
Loss after income tax	**(10,049)**	**(3,167)**		
Other comprehensive loss:				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation				
- Gain/(Losses)	710	(612)	(1,322)	7
Other comprehensive loss, net of tax	710	(612)		
Total comprehensive income/(loss)	(9,339)	(3,779)		
Net loss attributable to:				
Equity holders of the Company	(5,399)	(1,299)		
Non-controlling interests	(4,650)	(1,868)		
	(10,049)	(3,167)		
Total comprehensive loss attributable to:				
Equity holders of the Company	(4,689)	(1,911)		
Non-controlling interests	(4,650)	(1,868)		
	(9,339)	(3,779)		

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Consolidated Statement of Financial Position

	Group			
	31-Mar-23 S$'000 (audited)	31-Mar-23 S$'000 (unaudited)	Difference S$'000	Please refer to Note
ASSETS				
Non-current assets				
Property, plant and equipment	6,410	8,978	(2,568)	8
Intangible assets	23	32	(9)	nm
Financial assets, at fair value through other comprehensive income ("FVOCI")	47	-	47	nm
Other assets	603	-	603	9
Deferred tax assets	-	734	(734)	10
Total non-current assets	**7,083**	**9,744**		
Current assets				
Other assets	491	1,097	(606)	9
Trade and other receivables	1,523	81	1,442	11
Inventories	2,119	3,100	(981)	12
Financial assets, at fair value through profit or loss ("FVPL")	37	30	7	nm
Contract assets	-	64	(64)	nm
Cash and cash equivalents	15,056	15,527	(471)	13
Income tax recoverable	139	119	20	nm
Assets of disposal group classified as held for sale	33,759	45,279	(11,520)	14
Total current assets	**53,124**	**65,297**		
Total assets	**60,207**	**75,041**		
EQUITY AND LIABILITIES				
Equity				
Share capital	74,315	74,315	-	na
Accumulated losses	(61,324)	(61,459)	(135)	1 - 7
Other reserves	2,823	1,501	1,322	15
	15,814	14,357		
Non-controlling interests	10,046	15,081	(5,035)	16
Total equity	**25,860**	**29,438**		
Non-current liabilities				
Deferred tax liabilities	-	922	(922)	17
Borrowings	2,884	5,070	(2,186)	18
Total non-current liabilities	**2,884**	**5,992**		
Current liabilities				
Borrowings	3,547	2,421	1,126	18
Trade and other payables	8,281	9,662	(1,381)	19
Contract liabilities	1,605	1,489	116	20
Income tax payable	302	495	(193)	21
Liabilities directly associated with disposal group classified as held for sale	17,728	25,544	(7,816)	22
Total current liabilities	**31,463**	**39,611**		
Total liabilities	**34,347**	**45,603**		
Total equity and liabilities	**60,207**	**75,041**		

na: not applicable
nm: not material

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Consolidated Statement of Cash flows

	Group			
	31-Mar-23 S$'000 (audited)	31-Mar-23 S$'000 (unaudited)	Difference S$'000	Please refer to Note
Net cash flows generated from operating activities	1,496	2,831	(1,335)	23
Net cash flows generated from investing activities	11,341	7,043	4,298	24
Net cash flows used in financing activities	(4,363)	(1,557)	2,806	25

Notes:

Consolidated Statement of Profit or Loss and Other Comprehensive Income

1) The increase in revenue was mainly due to the Company's subsidiary, Jubilee Industries Holdings Ltd. group of companies' ("Jubilee") previous under-recognition of sales, now rectified.

2) The increase in cost of sales was mainly due to Jubilee's previous under-recognition of cost by S$1.2 million and depreciation of leased asset of S$0.2 million now rectified. Salaries relating to the employees at the clinics and some clinic supplies under Administrative Expenses and Distribution and Marketing Expenses repectively was reclassified to Cost of Sales.

3) Decrease of other gains/(losses), net was due to Jubilee having S$1.8 million being reclassed to assets of disposal group classified as held for sale. There was also the over-recognition of scrap sales.

4) The increase was mainly due to under-accrual of interest expense from lease liabilitiies.

5) The decrease was mainly due to lower profit generated for the financial year.

6) The increase of loss was mainly due to Jubilee's provision of stock obsolescence of S$0.5 million and provision for doubtful debt of S$2.7 million.

7) The increase was mainly due to under-recognition of gain from currency translation difference.

Consolidated Statement of Financial Position

8) The decrease in property, plant and equipment was mainly due to reclassification of Jubilee's S$4.6 million to assets of disposal group classified as held for sale. This decrease was offset by the understatement of Right-of-Use ("ROU") assets.

9) The difference was due to a reclassification from current to non-current.

10) The decrease of deferred tax assets was mainly due to Jubilee's over-recognition of deferred tax assets.

11) The increase of trade and other receivables was due to Jubilee's adjustment for eliminiation of incorrect intercompany balances of S$1.4 million.

12) The decrease in inventories was mainly due to Jubilee's inventory being reclassed to assets of disposal group classified as held for sale.

13) The decrease of cash and cash equivalents was mainly due to Jubilee's net foreign exchange loss from year end revaluation of approximately S$0.4 million.

14) Decrease in assets of disposal group classified as held for sale was mainly due to Jubilee's foreign currency loss for year end translation of trade receivables of S$0.6 million, provision of stock obsolescence of S$0.5 million, provision for doubtful debt of S$2.7 million less reversal of accrued salaries of S$0.3 million, S$1.8 million being reclassed from other income to assets of disposal group classified as held for sale, and elimination of S$6.2 million being the net carrying value of the properties.

15) The increase of other reserves was mainly due to increase in currency translation reserve.

16) The decrease of non-controlling interest was due to over-recognition of non-controlling interest.

17) The decrease was mainly due to the elimintation of deferred tax in relation to the net carrying value of properties.

18) The decrease and increase in non-current and current borrowings respectively was due a reclassification from non-current to current. The net decrease of both was mainly due to an over-recognition of borrowings in prior year that was adjusted.

19) The decrease was due to an over-recognition of trade payables.

20) The increase was due to a under-recognition of contract liabilities.

21) The decrease was mainly due to lower profit generated for the financial year.

22) The decrease in liabilities directly associated with disposal group classified as held for sale was mainly due to the elimination of inter-company payables.

Consolidated Statement of Cash flows

23) Net cashflow generated from operating activities

The increase was mainly due to the increase in depreciation of property, plant and equipment and amortisation of intangible assets of S$2.0 million and S$0.4 million respectively. In addition, the increase in inventories and trade and other receivables was offset by the decrease in trade and other payables resulting in a net decrease of S$1.0 million.

24) Net cashflow generated from investing activities

The increase was mainly due to proceeds from partial disposal of subsidiary of S$2.9 million. There was also the reduction in addition to property, plant and equipment of S$1.4 million.

25) Net cashflow used in financing activities

The increase was mainly due to repayment of lease liabilities of S$2.6 million, increase in interest paid of S$0.5 million, and increase in repayment of borrowings of S$0.3 million, offset by fixed deposit released of S$0.6 million.

BY ORDER OF THE BOARD

Dr Terence Tea
Executive Chairman and Managing Director

8 November 2023

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").

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