



## ALSET INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number 200916763W)  
(the “Company”)

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### MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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The Board of Directors (the “**Board**”) of Alset International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 28 February 2022 in relation to unaudited financial statements of the Group (the “**Unaudited Financial Statements**”) for the financial year ended 31 December 2021 (“**FY2021**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited, the Board would like to announce that subsequent to the release of the Unaudited Financial Statements, certain adjustments were made to the Unaudited Financial Statements following the finalisation of the audit by the Company’s external auditor.

The material differences between the Unaudited Financial Statements and the audited financial statements for FY2021 (the “**Audited Financial Statements**”) arose mainly due to the change in valuation of the investment properties based on the final valuation report, reversal of impairment on properties for sale, reclassification of other investment to trade and other receivables and investment in convertible promissory notes, and the prior year adjustment for the under-accrual of performance incentive fee for a director in the financial year ended 31 December 2020 (“**FY2020**”).

The details of the material adjustments made to the Unaudited Financial Statements and the material differences between the Unaudited Financial Statements and the Audited Financial Statements are set out below.

Consolidated statement of financial position as of 31 December 2021

	<u>Audited</u> <u>Financial</u> <u>Statements</u> S\$'000	<u>Unaudited</u> <u>Financial</u> <u>Statements</u> S\$'000	<u>Difference</u> <u>between</u> <u>Audited</u> <u>Financial</u> <u>Statement</u> <u>and</u> <u>Unaudited</u> <u>Financial</u> <u>Statement</u> S\$'000	<u>Note</u>
<u>Non-current assets</u>				
Property, plant and equipment	707	925	(218)	A
Investment Properties	37,900	39,209	(1,309)	B
Right-Of-Use Asset	914	695	219	A
Other Investment	318	16,363	(16,045)	C
<u>Current assets</u>				
Trade and other receivables	5,785	1,408	4,377	C
Prepaid operating expenses	744	745	(1)	
Properties for sales	26,544	22,803	3,741	D
Investment in convertible promissory notes	11,704	-	11,704	C
Total assets	165,375	162,907	<u>2,468</u>	
<u>Current liabilities</u>				
Trade and other payables	32,193	32,275	(82)	E
Lease Liabilities	724	706	18	E, U
Loans and borrowings	220	312	(92)	F
<u>Non-current liability</u>				
Lease Liabilities	99	-	99	E, U
Loans and borrowings	92	-	92	F
<u>Equity attributable to owners of the Company</u>				
Share capital	213,470	213,373	97	G
Other reserves	3,688	3,735	(47)	G
Foreign currency translation reserve	(197)	(192)	(5)	
Accumulated losses	(84,240)	(86,628)	2,388	H
Total equity and liabilities	165,375	162,907	<u>2,468</u>	

Consolidated statement of comprehensive income for FY2021

	<u>Audited</u> <u>Financial</u> <u>Statements</u> S\$'000	<u>Unaudited</u> <u>Financial</u> <u>Statements</u> S\$'000	<u>Difference</u> <u>between</u> <u>Audited</u> <u>Financial</u> <u>Statement</u> <u>and</u> <u>Unaudited</u> <u>Financial</u> <u>Statement</u> S\$'000	<u>Note</u>
Other operating income	10,215	8,387	1,828	B, D
Administrative expenses	(10,877)	(18,738)	7,861	G, N, R, S
Finance costs	(80)	(15)	(65)	N
Other operating expenses	(56,388)	(57,229)	841	I
Loss for the year	(48,387)	(58,852)	<u>10,465</u>	H
Attributable to:				
Owners of the Company	(49,241)	(59,706)	10,465	H
Non-controlling interests	300	300	-	
Loss for the year	(48,387)	(58,852)	<u>10,465</u>	

Consolidated cash flow statement for FY2021

	<u>Audited</u> <u>Financial</u> <u>Statements</u> S\$'000	<u>Unaudited</u> <u>Financial</u> <u>Statements</u> S\$'000	<u>Difference</u> <u>between</u> <u>Audited</u> <u>Financial</u> <u>Statement</u> <u>and</u> <u>Unaudited</u> <u>Financial</u> <u>Statement</u> S\$'000	<u>Note</u>
Loss before tax	(48,387)	(58,852)	10,465	H
Depreciation of property, plant and equipment	51	62	(11)	A
Fair value gain on derivative asset	(223)	(197)	(26)	T
Equity-settled share-based payment transactions	49	-	49	G
Withholding tax expenses	650	618	32	S
Net fair value losses on equity securities at FVTPL	53,128	51,335	1,793	I
Unrealised exchange (gain) / loss	(877)	(1,945)	1,068	B, P, Q, T
Interest expense on lease liability	8	1	7	E
Amortisation of transaction costs	58	-	58	N, O
Loss on disposal of subsidiaries	-	8	(8)	
Loss on disposal of investment securities at FVTPL	-	4,575	(4,575)	I
Gain on disposal of other investment	-	17	(17)	K
Interest expenses on hire purchase contract	-	2	(2)	E
Reversal impairment loss on properties for sale	(3,741)	-	(3,741)	D
Fair value gain on investment properties	(4,381)	(5,685)	1,304	B
Change in trade and other receivables	1,083	1,029	54	Q, V
Change in prepaid operating expenses	(650)	(651)	1	
Change in properties for sale	7,117	5,149	1,968	D
Change in trade and other payables	(6,251)	19,233	(25,484)	J, R
Net cash flows (used in) / generated from operating activities	(2,072)	14,993	(17,065)	

### Investing activities

Purchase of property, plant and equipment	(641)	(748)	107	A
Investment in other investment	(115)	(15,701)	15,586	K
Purchase of investment properties	(33,519)	(33,500)	(19)	
Addition of right-of-use assets	(105)	-	(105)	A
Interest received	-	12	(12)	V
Proceeds from partial disposal of subsidiaries	-	428	(428)	L
Purchases of equity securities	(54,128)	(17,255)	(36,873)	M
Proceed from disposal of equity securities	36,742	-	36,742	M
Balance receivables from related parties	(4,067)	-	(4,067)	K
Investment in convertible promissory notes	(11,704)	-	<u>(11,704)</u>	K
Net cash flows used in investing activities	(67,534)	(66,761)	(773)	

### Financing activities

Proceeds from partial disposal of subsidiaries	428	-	428	L
Advances from a related party	17,542	-	17,542	J
Principal element of lease payment	(452)	(451)	(1)	E
Repayment of lease interest	(8)	(1)	(7)	E
Capital element of hire purchase contract payment	-	(12)	12	E
Repayment of loans and borrowings	(899)	(859)	(40)	O
Change in bank deposits pledged	1,636	1,794	(158)	P
Interest element of hire purchase contract payment	-	(2)	<u>2</u>	E
Net cash flows generated from investing activities	96,272	78,494	17,778	
Net increase in cash and cash equivalents	26,666	26,726	<u>(60)</u>	
Effect of exchange rate changes on cash and cash equivalent	92	32	<u>60</u>	

### **Notes:**

- (A) Reclassification from property, plant and equipment to Right-of-use assets.
- (B) To adjust the fair value gain on investment properties based on the final valuation report.
- (C) Reclassification of other investment to trade and other receivables and investment in convertible promissory notes due to the nature of the investment.
- (D) Reversal of impairment on properties for sale based on the final valuation report.
- (E) Reclassification of hire purchase creditor to lease liability in accordance with the Singapore accounting standard.
- (F) Reclassification of the non-current portion of loan and borrowings from current liabilities to non-current liabilities.

- (G) Adjustment for share option reserve and performance share expenses due to the share awards vested in FY2021.
- (H) Change in accumulated losses due to the change in the loss for the year and prior year adjustment for the under-accrual of performance incentive fee for a director in FY2020.
- (I) Adjustment for realised loss on mark to market instrument and net fair value losses on equity securities at fair value through profit and loss.
- (J) Reclassification from trade and other payables to advances from a related party under financing activities.
- (K) Reclassification from investment in other investment to balance receivables from related parties and investment in convertible promissory notes due to the nature of the investment.
- (L) Reclassification of proceeds from partial disposal of subsidiaries from investing activities to financing activities.
- (M) Reclassification of proceeds from disposal of investment securities to purchases of Investment securities instead of grouping it in one line item.
- (N) Reclassification of amortisation of transaction costs and interest from administrative expenses to finance costs as amortization costs should be adjusted under operating activities.
- (O) Being split out the amortisation of transaction cost to operating activities due to the non-cash nature.
- (P) Forex exchange recomputation for the changes in bank deposit pledged.
- (Q) Forex exchange recomputation for the changes in trade and other receivables after the reclassification of account.
- (R) Change in the administrative expenses and trade and other payables brought forward due to the under-accrual of performance incentive fee for a director in FY2020.
- (S) Reclassification of withholding tax from administrative expenses as the withholding tax is not due for payment.
- (T) Forex exchange recomputation for the changes in fair value gain on derivative asset.
- (U) Reclassification of the non-current portion of lease liabilities from current liabilities to non-current liabilities.
- (V) Reclassification of interest received to trade and other receivables due to the interest not yet received.

BY ORDER OF THE BOARD

Chan Tung Moe  
Executive Director and Co-Chief Executive Officer

18 April 2022

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*This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange 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 Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.*