
**MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED
FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

The Board of Directors (the “Board” or “Directors”) of Taka Jewellery Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) refers to the unaudited full year financial results announced for the financial year ended 30 June 2023 (“FY2023”) released via the SGXNet on 24 August 2023.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the material variances between the audited financial statements and the unaudited full year financial results of the Group for FY2023. Details and clarifications of the differences are set out below in this announcement.

Consolidated Statement of Comprehensive Income

Group	2023 Audited S\$'000	2023 Unaudited S\$'000	Change S\$'000
Revenue	145,889	145,889	-
Cost of sales	(103,589)	(103,589)	-
Gross profit	42,300	42,300	-
Other operating income	541	541	-
Selling and distribution expenses	(22,055)	(22,055)	-
Administration expenses	(7,130)	(7,130)	-
Other operating expenses (note 1)	(447)	(480)	33
Impairment loss on trade receivables	(1,927)	(1,927)	-
Share of profit of associates	1,579	1,579	-
Finance costs (note 1)	(2,034)	(2,001)	(33)
Profit before tax	10,827	10,827	-
Income tax expense	(1,926)	(1,926)	-
Profit for the period	8,901	8,901	-
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	(16)	(16)	-
Total comprehensive income for the year	8,885	8,885	-
Profit after tax attributable to:			
Owners of the Company	9,001	9,001	-
Non-controlling interests	(100)	(100)	-
	8,901	8,901	-
Total comprehensive income for the period attributable to			
Owners of the Company	8,986	8,986	-
Non-controlling interests	(101)	(101)	-
	8,885	8,885	-
Earnings per share attribute to owners of the company (cents per share)			
Basic and Diluted	1.61	1.61	-

Balance Sheet

<u>Group</u>	30.06.2023 Audited S\$'000	30.06.2023 Unaudited S\$'000	Change S\$'000
Non-current assets			
Investment in associates	7,896	7,896	-
Right of use assets	8,054	8,054	-
Property, plant and equipment	9,320	9,320	-
Trademarks	105	105	-
Other receivables	664	664	-
Deferred tax assets	200	200	-
	26,239	26,239	-
Current assets			
Inventories	105,009	105,009	-
Trade and other receivables	51,786	51,786	-
Prepayments	114	114	-
Cash and bank balances	11,008	11,008	-
	167,917	167,917	-
Total assets	194,156	194,156	-
LIABILITIES			
Current liabilities			
Bank borrowings	24,290	24,290	-
Bullion loans	3,728	3,728	-
Trade and other payables	23,741	23,741	-
Lease liabilities (note 2)	3,483	3,253	230
Income tax payable	1,864	1,864	-
	57,106	56,876	230
NET CURRENT ASSETS	110,811	111,041	(230)
Non-current liabilities			
Bank borrowings	13,311	13,311	-
Lease liabilities (note 2)	4,114	4,344	(230)
Provision for reinstatement	132	132	-
	17,557	17,787	(230)
Total liabilities	74,663	74,663	-
NET ASSETS	119,493	119,493	-
Equity attributable to owners of the Company			
Share capital	96,719	96,719	-
Merger reserve	(64,502)	(64,502)	-
Treasury shares	(698)	(698)	-
Translation reserve	718	718	-
Retained earnings	87,256	87,256	-
Equity attributable to equity holders	119,493	119,493	-
Non-controlling interest	-	-	-
Total Equity	119,493	119,493	-

Consolidated Cash Flow Statement

	Group Audited 2023 S\$'000	Group Unaudited 2023 S\$'000	Change S\$'000
Cash flows from operating activities			
Profit before tax	10,827	10,827	-
Adjustments for:			
Depreciation of property, plant & equipment (note 3)	911	734	177
Depreciation of right-of-use assets (note 3)	4,556	4,241	315
Amortisation of trademark	141	141	-
Finance costs (note 3)	2,034	2,001	33
Share of profit of associate	(1,579)	(1,579)	-
Impairment loss on trade receivables	1,927	1,927	-
Fair value gain on bullion loans	(164)	(164)	-
Unrealised exchange loss	165	165	-
Bad debt written off	184	184	-
Gain on disposal of subsidiary	(83)	(83)	-
Gain on disposal of property, plant and equipment and right-of-use assets	(172)	(172)	-
Operating cash flows before movements in working capital	18,747	18,222	525
Increase in trade and other receivables and prepayments (note 3, 5 and 6)	(1,257)	(416)	(841)
Increase in inventories (note 3)	(21,998)	(21,837)	(161)
Increase in trade and other payables (note 3)	2,618	2,533	85
Cash used in operations	(1,890)	(1,498)	(392)
Interest paid (note 3)	(2,034)	(2,001)	(33)
Income tax paid, net (note 5)	(918)	(1,171)	253
Net cash flows used in from operating activities	(4,842)	(4,670)	(172)
Cash flows from Investing activities			
Proceeds from disposal of property, plant and equipment and right-of-use assets (note 3)	316	317	(1)
Amount due from third party for disposal of subsidiary (note 4)	-	(880)	880
Purchase of property, plant and equipment (note 3)	(2,722)	(1,391)	(1,331)
Net cash inflow on acquisition of subsidiary (note 4)	714	-	714
Net cash inflow on disposal of subsidiary (note 4)	174	-	174
Net cash flows used in investing activities	(1,518)	(1,954)	436
Cash flows from financing activities			
Proceeds from bank borrowings	22,550	22,550	-
Repayment of bank borrowings	(12,407)	(12,407)	-
New bullion loans	3,892	3,892	-
Decrease in bills payable	(3,439)	(3,439)	-
Repayment of finance lease obligations (note 3)	(4,426)	(4,162)	(264)
New pledged fixed deposits with banks	(97)	(100)	3
Net cash flows from financing activities	6,073	6,334	(261)
Net decrease in cash and cash equivalents	(287)	(290)	3
Net effect of exchange rates changes on the cash balance held in foreign currencies	(31)	(35)	4
Cash and cash equivalents at beginning of the financial year	8,707	8,707	-
Cash and cash equivalents at end of the financial year	8,389	8,382	7

Notes:

1. To reflect the interest expense on lease liabilities of a subsidiary from other operating expenses.
2. Lease liabilities reclassification from non-current liabilities to current liabilities.
3. To take into account the cash flow movements of non-cash items, net cash outflow from working capital, interest payment, purchase of property, plant and equipment and repayment of finance lease obligation of a subsidiary which the Group has acquired and disposed during the year, in order to correctly reflected in the audited financial statements.
4. To reflect the net cash inflow from acquisition and disposal of subsidiary.
5. To remove deferred tax asset movement from income tax paid and reflect the actual income tax paid.
6. To reclass gain on disposal of subsidiary and changes in non-controlling interest arising from acquisition and disposal of subsidiary to net cash inflow on acquisition and disposal of subsidiary under investing activities.

BY ORDER OF THE BOARD
Taka Jewellery Holdings Limited

Teo Boon Leng
Managing Director
27 September 2023

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte.Ltd. (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.

The contact person for the Sponsor is Mr Joseph Au, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.