

Net Pacific Financial Holdings Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number 200300326D)

MATERIAL VARIANCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS OF THE GROUP FOR THE FINANCIAL PERIOD 1 JANUARY 2024 TO 30 JUNE 2025 ("FY2025")

Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcement dated 29 August 2025 in relation to its unaudited financial results for FY2025.

The Board of Directors (the "**Board**") of Net Pacific Financial Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement released by the Company on 29 August 2025 in relation to its unaudited financial results for FY2025 (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 (the "**Catalist Rules**"), the Board would like to announce that subsequent to the release of the Unaudited Financial Statements, certain adjustments and reclassifications were made to the audited financial statements for FY2025 (the "**Audited Financial Statements**") following the completion of the Accounting and Corporate Regulatory Authority's ("**ACRA**") Financial Reporting Surveillance Programme on the Company's financial statements for the financial year ended 31 December 2022, and the finalisation of the audit by the Company's external auditor, Foo Kon Tan LLP.

The details of the material adjustments and differences are set out in Appendix A and the reasons for such differences are explained under the Explanatory Notes in Appendix A.

Shareholders are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

The Board confirms that to the best of its knowledge, all material disclosures, facts and information have been provided and announced and is not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

By Order of the Board

Mr Ong Chor Wei @ Alan Ong
Executive Director and Chief Executive Officer
5 November 2025

*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 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. Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

Appendix A

Consolidated Statement of Comprehensive Income For the financial period from 1 January 2024 to 30 June 2025 – Group Level

In HK\$'000	Audited results	Unaudited results	Variance	Explanatory Notes
Revenue	79,266	79,266	-	
Cost of sales	(63,823)	(63,823)	-	
Gross profit	15,443	15,443	-	
Other income	2,156	2,156	-	
Marketing and distribution costs	(8,578)	(8,578)	-	
Administrative expenses	(34,174)	(33,065)	(1,109)	(1a)
Other expenses	-	(1,109)	1,109	(1a)
Impairment of goodwill	(3,036)	(2,024)	(1,012)	(2)
Impairment loss on plant and equipment	(815)	-	(815)	(2)
Impairment loss on other receivables	(1,589)	(1,091)	(498)	(3)
Gain on derecognition of financial assets at FVTPL	3,052	(1,381)	4,433	(4)
Share of results of an associated company	(504)	(504)	-	
Loss from operations	(28,045)	(30,153)	2,108	
Finance cost	(1,819)	(1,819)	-	
Loss before taxation	(29,864)	(31,972)	2,108	
Income tax expense	(122)	(122)	-	
Loss for the year	(29,986)	(32,094)	2,108	
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operations	2	21	(19)	N/M
Items that will not be reclassified to profit or loss:				
Foreign currency translation differences for foreign operations	166	156	10	N/M
Other comprehensive income, net of nil tax	168	177	(9)	
Total comprehensive loss for the period/year	(29,818)	(31,917)	2,099	

N/M – Not material

Consolidated Statement of Financial Position as at 30 June 2025 – Group Level

In HK\$'000	Audited results	Unaudited results	Variance	Explanatory Notes
ASSETS				
Non-Current Assets				
Plant and equipment	13,360	14,175	(815)	(2)
Right-of-use assets	15,623	15,623	-	
Goodwill	-	1,012	(1,012)	(2)
Deferred tax assets	-	113	(113)	(1b)
	28,983	30,923	(1,940)	
Current Assets				
Trade and other receivables	32,248	32,746	(498)	(3)
Loans and advances	27,600	27,600	-	
Inventories	16,859	16,859	-	
Cash and cash equivalents	24,440	24,440	-	
	101,147	101,645	(498)	
Total assets	130,130	132,568	(2,438)	
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	145,105	145,105	-	
Accumulated losses	(76,704)	(75,206)	(1,498)	(5)
Translation reserve	2	21	(19)	N/M
Equity attributable to owners of the Company	68,403	69,920	(1,517)	
Non-controlling interests	(2,035)	(1,227)	(808)	(5)
Total equity	66,368	68,693	(2,325)	
Non-Current Liabilities				
Deferred tax liabilities	419	532	(113)	(1b)
Lease liabilities	14,163	14,163	-	
	14,582	14,695	(113)	
Current Liabilities				
Lease liabilities	2,494	2,494	-	
Borrowings	7,864	7,864	-	
Trade and other payables	38,685	38,685	-	
Current tax payable	137	137	-	
	49,180	49,180	-	
Total liabilities	63,762	63,875	(113)	
Total equity and liabilities	130,130	132,568	(2,438)	

N/M – Not material

Consolidated statement of cash flows
for the financial period from 1 January 2024 to 30 June 2025 – Group Level

In HK\$'000	Audited	Unaudited	Variance	Explanatory Notes
Cash Flows from Operating Activities				
Loss before taxation	(29,864)	(32,094)	2,108	
Adjustments for:				
Share of results of an associated company	504	504	-	
Depreciation of plant and equipment	3,234	3,234	-	
Depreciation of right-of-use assets	3,827	3,827	-	
Interest income	(6,886)	(6,886)	-	
Interest expense	1,819	1,819	-	
Impairment of goodwill	3,036	2,024	1,012	(2)
Impairment loss on plant and equipment	815	-	815	(2)
Impairment loss on other receivables	1,589	1,091	498	(3)
Gain on derecognition of financial assets at FVTPL	(3,052)	1,381	(4,433)	(4)
Loss on disposal of plant and equipment	22	22	-	
Gain on early termination of right-of-use assets	(25)	(25)	-	
Unrealised exchange differences	118	(364)	482	(c)
Operating loss before working capital changes	(24,863)	(25,345)	482	
Changes in inventories	(9,566)	(9,567)	1	N/M
Changes in trade and other receivables	7,739	5,006	2,733	(1c)
Changes in trade and other payables	3,639	5,399	(1,760)	(1c)
Cash (used in)/ generated from operations	(23,051)	(24,507)	1,456	
Dividend received	80	80	-	
Interest received	6,904	6,904	-	
Income tax paid	(84)	(83)	(1)	N/M
Net cash (used in)/ generated from operating activities	(16,151)	(17,606)	1,455	
			-	
Cash Flows from Investing Activities				
Purchase of plant and equipment	(6,882)	(6,910)	28	N/M
Proceeds from disposal of plant and equipment	107	110	(3)	N/M
Acquisition of a subsidiary, net of cash received	(1,882)	(1,882)	-	
Advances to an associated company	(2,738)	(1,643)	(1,095)	(1c)
Net cash used in investing activities	(11,395)	(10,325)	(1,070)	
Cash Flows from Financing Activities				
Capital contribution by non-controlling interests	9,541	9,541	-	
Proceeds from bank borrowings (Note A)	7,995	7,864	131	(1c)
Repayment of bank borrowings (Note A)	(131)	-	(131)	(1c)
Proceeds of short-term loan from related parties (Note A)	11,660	11,715	(55)	(1c)
Repayment of short-term loan to related parties (Note A)	(20,099)	(19,769)	(330)	(1c)
Payment of principal portion of lease liabilities (Note A)	(2,775)	(2,775)	-	
Payment of interest (Note A)	(1,819)	(1,819)	-	
Net cash generated from/ (used in) financing activities	4,372	4,757	(385)	
Net (decrease)/ increase in cash and cash equivalents	(23,174)	(23,174)	-	
Cash and cash equivalents at beginning of period	47,246	47,246	-	
Effect of exchange rate fluctuations on cash held	368	368	-	
Cash and cash equivalents at end of the period	24,440	24,440	-	

N/M – Not material

Explanatory Notes:

- (1) The variance is due to the following:
 - (a) The HK\$1,109,000 reduction in Other Expenses was attributable to a reclassification of foreign exchange losses of HK\$1,087,000 and loss on disposal of plant & equipment of HK\$22,000 to Administrative Expenses.
 - (b) Deferred tax liabilities have been re-presented on a net basis in accordance with SFRS(I) 1-12 Income Taxes as these deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority for the same taxable entity as explained under Note 21 of the Financial Statements.
 - (c) Reclassification related to trade and other receivables / payables, loans from related parties and advances to an associate, financing cash flows and related foreign exchange difference.
- (2) Management engaged an independent valuer to determine the recoverable amount of Saint Pearl Travel Products (Guangdong) Co., Ltd, including the related goodwill on acquisition which had not been completed on the date of the announcement of the Unaudited Financial Statements due to the reasons set out in the announcement dated 7 October 2025 in relation to application for an extension of time to hold the Company's annual general meeting for FY2025, issuance of annual report and sustainability report FY2025 and announcement of unaudited results for first quarter ended 30 September 2025. Additional impairment loss recognised on goodwill on acquisition; and plant and equipment, respectively, for the Luggage Business segment was also recognised on finalisation of the impairment assessment by the Group's appointed independent valuer.
- (3) Additional impairment loss recognised on consideration receivables from an external buyer on disposal of a financial asset at FVTPL in January 2019.
- (4) As disclosed under Note 20 in the Unaudited Financial Statements, the Company received a letter of final findings from ACRA where the latter is of the view that management has not complied with SFRS(I) 9 in respect of the classification and measurement of the receivables due from Jetwin Investment Pty Ltd ("**Jetwin**"), which was previously measured at amortised cost, despite not meeting the solely payments of principal and interest ("**SPPI**") test under SFRS(I) 9. Management performed a reassessment and concluded that the amounts due from Jetwin should have been measured at fair value through profit or loss. Accordingly, management recomputed the fair value of the amounts due from Jetwin as at 1 January 2023 and 31 December 2023, respectively, and recorded the fair value adjustments in respect of the amounts receivable from Jetwin as prior years' adjustments for financial year ended 31 December 2023 and 1 January 2023 (being the beginning of the preceding period), resultantly increasing the gain on derecognition for FY2025.
- (5) Being the Group's and non-controlling interests' ("**NCI**") revised share as a result of the adjustments mentioned above.