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## **Jinhai International Group Holdings Limited**

**今海國際集團控股有限公司**

*(Incorporated in the Cayman Islands with members' limited liability)*

**(Stock Code: 2225)**

### **CLARIFICATION ANNOUNCEMENT CHANGES TO THE ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

Reference is made to the annual results announcement for the year ended 31 December 2021 (the “**Annual Results Announcement**”) of Jinhai International Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) dated 30 March 2022. Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the Annual Results Announcement.

Shareholders of the Company are advised to read this announcement in conjunction with the Annual Results Announcement.

This announcement is made for the purpose of making amendments to the financial data contained in the Annual Results Announcement in relation to the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2021 and the consolidated financial position of the Group as at 31 December 2021, due to adjustment and reclassification of certain items therein. The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform Shareholder and potential investors of the Company that the adjustments (the “**Adjustments**”) made to the Annual Results Announcement as a result of the Adjustments are set out below:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME (WITH ADJUSTMENTS)**  
*FOR THE YEAR ENDED 31 DECEMBER 2021*

	<b>Amount stated in the Annual Results Announcement S\$</b>	<b>Amount to be reflected in the Company's 2021 annual report S\$</b>	<b>Differences S\$</b>	<i>Notes</i>
Revenue	21,416,453	21,416,453	–	
Cost of services	<u>(13,656,186)</u>	<u>(13,656,186)</u>	<u>–</u>	
Gross profit	7,760,267	7,760,267	–	
Other income	1,897,773	1,899,621	1,848	1
Selling expenses	(17,969)	(17,969)	–	
Administrative expenses	(8,717,435)	(8,696,515)	20,920	2
Impairment loss on trade and other receivables	0	(446,206)	(446,206)	3
Other gains and losses	(820,351)	(395,073)	425,278	4
Finance costs	<u>(132,313)</u>	<u>(132,312)</u>	<u>1</u>	
Loss before taxation	(30,028)	(28,187)	1,841	
Income tax expense	<u>(491,001)</u>	<u>(435,460)</u>	<u>55,541</u>	5
Loss after taxation	(521,029)	(463,647)	57,382	
Non-controlling interest	<u>251,625</u>	<u>251,625</u>	<u>–</u>	
Loss after non-controlling interests	<u>(269,404)</u>	<u>(212,022)</u>	<u>57,382</u>	
<b>Other comprehensive income, after tax</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Currency translation differences arising from foreign operations	<u>171,706</u>	<u>146,186</u>	<u>(25,520)</u>	6
Total comprehensive loss for the year	<u><u>(97,698)</u></u>	<u><u>(65,836)</u></u>	<u><u>(31,862)</u></u>	

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (WITH ADJUSTMENTS)**  
*AS AT 31 DECEMBER 2021*

	As per Annual Results Announcement S\$	Annual Results to be reflected in the Company's 2021 annual report S\$	Differences S\$	Notes
<b>Non-current assets</b>				
Property, plant and equipment	1,044,941	1,044,941	–	
Right-of-use assets	785,060	785,060	–	
Investment property	1,008,863	1,008,863	–	
Other receivable	33,181	33,181	–	
Deferred tax assets	203,600	189,386	(14,214)	7
	<u>3,075,645</u>	<u>3,061,431</u>	<u>(14,214)</u>	
<b>Current assets</b>				
Trade receivables	1,464,816	1,464,816	–	
Other receivables, deposits and prepayments	4,866,141	4,866,142	–	
Financial assets at fair value through profit or loss	8,735,795	8,735,795	–	
Income tax receivable	46,169	46,168	(1)	8
Inventories	873,637	873,637	–	
Bank balances and cash	14,637,357	14,637,357	–	
	<u>30,623,915</u>	<u>30,623,915</u>	<u>–</u>	
<b>Current liabilities</b>				
Trade and other payables	6,072,244	4,986,789	(1,085,455)	9
Contract liabilities	112,950	1,199,112	1,086,162	10
Lease liabilities	1,539,093	1,614,413	75,320	11
Income tax payable	509,556	432,454	(77,102)	12
	<u>8,233,843</u>	<u>8,232,768</u>	<u>(1,075)</u>	
Net current assets	<u>22,390,072</u>	<u>22,391,147</u>	<u>1,075</u>	

	<b>As per Annual Results Announcement</b>	<b>Annual Results to be reflected in the Company's 2021 annual report</b>	<b>Differences</b>	<i>Notes</i>
	<i>S\$</i>	<i>S\$</i>	<i>S\$</i>	
<b>Non-current liabilities</b>				
Lease liabilities	329,332	254,012	(75,320)	<i>11</i>
Deferred tax liabilities	20,250	25,050	4,800	<i>13</i>
	<u>349,582</u>	<u>279,062</u>	<u>(70,520)</u>	
Net assets	<u>25,116,135</u>	<u>25,173,516</u>	<u>57,381</u>	
<b>Capital and reserves</b>				
Share capital	2,142,414	2,142,414	–	
Share premium	14,958,400	14,958,400	–	
Merger reserves	1,350,000	1,350,000	–	
Currency translation reserve	171,706	171,154	(552)	<i>14</i>
Non-controlling interests	(251,625)	(251,073)	552	<i>15</i>
Accumulated profits	6,745,240	6,802,621	57,381	<i>16</i>
	<u>25,116,135</u>	<u>25,173,516</u>	<u>57,381</u>	

*Notes:*

1. The difference in other income of S\$1,848 is due to reclassification of S\$1,848 to income tax expense.
2. The difference in administrative expenses of S\$20,920 is due to reclassification between administrative expenses and other gains and losses.
3. The difference in reversal impairment on trade and other receivables of S\$446,206 is due to reclassification between administrative expenses and impairment loss on trade and other receivables.
4. The difference in other gains and losses of S\$425,278 is due to reclassification of S\$446,206 to impairment loss on trade and other receivables and S\$8 to income tax expense.
5. The difference in income tax expense of S\$55,541 is due to:
  - reversal of income tax payable of S\$77,102, deferred tax liabilities of S\$4,800 and deferred tax assets of S\$14,214;
  - reclassification of S\$1,848 from other income;
  - reclassification of S\$707 from trade and other payables; and
  - reclassification of S\$8 from other gains and losses.

6. Currency translation differences arising from foreign operations attributable to owners of the Company should be S\$146,186 instead of S\$171,706.
7. The difference in deferred tax assets was S\$14,214 due to reversal of amount over recognised to income tax expense.
8. The difference in income tax receivable was S\$1 is due to reclassification from other receivables, deposits and prepayments.
9. The difference in trade and other payables was S\$1,085,455, mainly due to reclassification of S\$1,086,162 to contract liabilities and reclassification of S\$707 to income tax expense.
10. The difference in contract liabilities was S\$1,086,162, due to reclassification from trade and other payables.
11. The difference in lease liabilities of S\$75,320 is due to reclassification from non-current liabilities portion of lease liabilities.
12. The difference in income tax payable of S\$77,102 is due to reversal to income tax expense.
13. The difference in deferred tax liabilities of S\$4,800 is due to reversal to income tax expense.
14. The difference in currency translation reserve of S\$552 is due to the amount allocated to non-controlling interests.
15. The difference in non-controlling interests of S\$552 is due to non-controlling interests' share of currency translation differences arising from foreign operations
16. The difference in accumulated profits of S\$57,381 is due to net effect of the adjustments as described above.

In view of the above, the Board considers that the Adjustments have no material adverse impact on the Company's combined financial statements and the notes to the financial statements for the year ended 31 December 2021. The Company's auditor, Foo Kon Tan LLP has also reviewed and agreed to the Adjustments. The Adjustments will also be reflected in the Company's 2021 annual report to be published in due course.

The Board would also like to clarify that the Note 1 "General" to the consolidated financial statements, the registered address of the Company should be read as follows:

Vistra (Cayman) Limited  
P.O. Box 31119  
Grand Pavilion, Hibiscus Way  
802 West Bay Road, Grand Cayman  
KY1-1205 Cayman Islands

Save for the above, the contents of the Annual Results Announcement remain unchanged.

By order of the Board  
**Jinhai International Group Holdings Limited**  
**Chen Guobao**  
*Chairman of the Board and Executive Director*

Hong Kong, 26 April 2022

*As at the date of this announcement, the Board comprises 8 Directors, of which 2 are executive Directors, namely Mr. Chen Guobao and Mr. Wang Zhenfei; 3 are non-executive Directors, namely Mr. Yang Fu Kang, Mr. Li Yunping and Mr. Wang Huasheng; and 3 are independent non-executive Directors, namely Mr. Yan Jianjun, Mr. Fan Yimin and Ms. Yang Meihua.*