



# FORTRESS MINERALS LIMITED

(Company Registration No.: 201732608K)

## MATERIAL VARIANCES BETWEEN THE UNAUDITED FINANCIAL STATEMENTS AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

*Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcement dated 24 April 2025.*

The board of directors (the “**Board**”) of Fortress Minerals Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on 24 April 2025 relating to its unaudited financial results for the financial year ended 28 February 2025 (“**FY2025**”) (the “**Unaudited Results**”). Further reference is made to the audited financial statements of the Company for FY2025 (the “**Audited Results**”) and the report thereon by the Company's independent auditor included in the Company's annual report for FY2025 which will be released on the SGXNet by 9 June 2025.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that subsequent to the release of the Unaudited Results, certain adjustments and reclassifications were made to the Unaudited Results following the finalisation of the audit by the Company's external auditor.

The material variances between the Unaudited Results and Audited Results are set out below:

### Consolidated Statement of Financial Position

<b>Group 28 February 2025</b>	<b>Audited US\$</b>	<b>Unaudited US\$</b>	<b>Variance US\$</b>	<b>%</b>	<b>Note</b>
<b>Non-current assets</b>					
Exploration and evaluation assets	3,342,203	3,425,175	(82,972)	(2.4)	(1)
Mining properties	42,800,000	42,800,000	-	-	
Plant and equipment	23,883,089	23,765,028	118,061	0.5	(2)
Right-of-use assets	132,712	132,712	-	-	
Intangible asset	3,023,271	3,023,271	-	-	
	<u>73,181,275</u>	<u>73,146,186</u>	<u>35,089</u>	<u>-.*</u>	
<b>Current assets</b>					
Inventories	6,176,861	6,176,861	-	-	
Trade receivables	6,242,535	6,242,535	-	-	
Other receivables, deposits and prepayments	7,987,530	7,737,615	249,915	3.2	(1, 3)
Current income tax receivable	745,588	767,982	(22,394)	(2.9)	(4)
Financial assets at fair value through profit or loss	1,040,510	1,040,510	-	-	
Cash and bank balances	7,850,163	7,850,163	-	-	
	<u>30,043,187</u>	<u>29,815,666</u>	<u>227,521</u>	<u>0.8</u>	
<b>Total assets</b>	<u>103,224,462</u>	<u>102,961,852</u>	<u>262,610</u>	<u>0.3</u>	

\* Immaterial, below 0.1%.

# **Consolidated Statement of Financial Position (cont'd)**

<b>Group</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Variance</b>		
<b>28 February 2025</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>%</b>	<b>Note</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	28,995,034	28,995,034	-	-	
Other reserves	(7,717,854)	(7,699,907)	(17,947)	0.2	(5)
Retained earnings	57,921,200	57,299,247	621,953	1.1	(4, 6)
<b>Equity attributable to owners of the Company</b>	79,198,380	78,594,374	604,006	0.8	
Non-controlling interest	(326,199)	329,349	(655,548)	nm	(6)
<b>Total equity</b>	<u>78,872,181</u>	<u>78,923,723</u>	(51,542)	(0.1)	
<b>Non-current liabilities</b>					
Bank borrowings	2,610,666	2,354,895	255,771	10.9	(2, 3)
Lease liabilities	40,989	40,989	-	-	
Deferred tax liabilities	3,830,229	3,830,229	-	-	
Other payables	2,050,071	2,050,071	-	-	
	<u>8,531,955</u>	<u>8,276,184</u>	255,771	3.1	
<b>Current liabilities</b>					
Bank borrowings	3,462,281	3,433,048	29,233	0.9	(2, 3)
Lease liabilities	94,049	94,049	-	-	
Trade payables	1,864,835	1,864,835	-	-	
Other payables and accruals	10,297,930	10,297,930	-	-	
Current income tax payables	101,231	72,083	29,148	40.4	(4)
	<u>15,820,326</u>	<u>15,761,945</u>	58,381	0.4	
<b>Total liabilities</b>	<u>24,352,281</u>	<u>24,038,129</u>	314,152	1.3	
<b>Total equity and liabilities</b>	<u>103,224,462</u>	<u>102,961,852</u>	262,610	0.3	

*nm – not meaningful*

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## **Statement of Financial Position**

<b>Company</b> <b>28 February 2025</b>	<b>Audited</b> <b>US\$</b>	<b>Unaudited</b> <b>US\$</b>	<b>Variance</b>		
			<b>US\$</b>	<b>%</b>	<b>Note</b>
<b>Non-Current Assets</b>					
Investments in subsidiaries	43,014,878	43,014,878	-	-	
<b>Current Assets</b>					
Other receivables, deposits and prepayments	59	59	-	-	
Amounts due from subsidiaries	13,328,803	15,241,755	(1,912,952)	(12.6)	(7)
Financial assets at fair value through profit or loss ("FVTPL")	799,451	799,451	-	-	
Cash and bank balances	308,998	308,998	-	-	
	<u>14,437,311</u>	<u>16,350,263</u>	<u>(1,912,952)</u>	<u>(11.7)</u>	
<b>Total assets</b>	<u>57,452,189</u>	<u>59,365,141</u>	<u>(1,912,952)</u>	<u>(3.2)</u>	
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	28,995,034	28,995,034	-	-	
Retained earnings	26,331,932	28,244,884	(1,912,952)	(6.8)	(7)
<b>Total equity</b>	<u>55,326,966</u>	<u>57,239,918</u>	<u>(1,912,952)</u>	<u>(3.3)</u>	
<b>Non-current liabilities</b>					
Other payables	2,050,071	2,050,071	-	-	
<b>Current liabilities</b>					
Other payables and accruals	67,892	67,892	-	-	
Amount due to subsidiaries	817	817	-	-	
Current income tax payables	6,443	6,443	-	-	
	<u>75,152</u>	<u>75,152</u>	<u>-</u>	<u>-</u>	
<b>Total liabilities</b>	<u>2,125,223</u>	<u>2,125,223</u>	<u>-</u>	<u>-</u>	
<b>Total equity and liabilities</b>	<u>57,452,189</u>	<u>59,365,141</u>	<u>(1,912,952)</u>	<u>(3.2)</u>	

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## **Consolidated Statement of Comprehensive Income**

<b>Group</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Variance</b>		<b>Note</b>
<b>28 February 2025</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>%</b>	
<b>Revenue</b>	56,253,961	56,253,961	-	-	
Cost of sales	(23,044,776)	(23,044,776)	-	-	
<b>Gross profit</b>	33,209,185	33,209,185	-	-	
Other income	906,681	906,681	-	-	
Selling and distribution expenses	(6,339,951)	(6,339,951)	-	-	
Other operating expenses	(12,667,842)	(12,667,842)	-	-	
Administrative expenses	(1,314,665)	(1,314,666)	1	-*	
Impairment losses on non-financial assets	(2,999,627)	(3,026,371)	26,744	(0.9)	(5)
Fair value changes on contingent consideration	298,138	298,138	-	-	
Finance costs	(598,005)	(598,005)	-	-	
<b>Profit before income tax</b>	10,493,914	10,467,169	26,745	0.3	
Income tax expense	(4,719,063)	(4,668,271)	(50,792)	1.1	(4)
<b>Profit for the financial year</b>	5,774,851	5,798,898	(24,047)	(0.4)	
<b>Other comprehensive income:</b>					
<b>Item that may be reclassified subsequently to profit or loss:</b>					
Exchange differences on translating foreign operations	3,672,679	3,700,174	(27,495)	(0.7)	(5)
<b>Total comprehensive income for the financial year</b>	<u>9,447,530</u>	<u>9,499,072</u>	(51,542)	(0.5)	
Profit/(Loss) for the financial year attributable to:					
- Owners of the Company	6,324,165	5,702,212	621,953	10.9	(4, 5, 6)
- Non-controlling interest	(549,314)	96,686	(646,000)	nm	(4, 5, 6)
	<u>5,774,851</u>	<u>5,798,898</u>	(24,047)	(0.4)	
Total comprehensive income/(loss) for the financial year attributable to:					
- Owners of the Company	9,996,212	9,392,206	604,006	6.4	(4, 5, 6)
- Non-controlling interest	(548,682)	106,866	(655,548)	nm	(4, 5, 6)
	<u>9,447,530</u>	<u>9,499,072</u>	(51,542)	(0.5)	

\* Immaterial, below 0.1%.

nm – not meaningful

## **Consolidated Statement of Cash Flows**

<b>Group</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Variance</b>		
<b>28 February 2025</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>%</b>	<b>Note</b>
<b>Operating activities</b>					
Net cash flow generated from operating activities	13,242,921	13,787,686	(544,765)	(4.0)	(2, 3, 8)
<b>Investing activities</b>					
Net cash flow used in investing activities	(2,142,212)	(2,498,372)	356,160	(14.3)	(8)
<b>Financing activities</b>					
Net cash flow used in financing activities	<u>(9,180,166)</u>	<u>(9,368,773)</u>	188,607	(2.0)	(2, 3)
Net change in cash and cash equivalents	1,920,543	1,920,541	2	-.*	
Effects of exchange rate changes on cash and cash equivalents	250,960	250,962	(2)	-.*	
Cash and cash equivalents at beginning of financial period	<u>5,678,660</u>	<u>5,678,660</u>	-	-	
Cash and cash equivalents at end of financial period	<u>7,850,163</u>	<u>7,850,163</u>	-	-	

\* Immaterial, below 0.1%.

### **Notes:**

- (1) The variance is due to the reclassification of certain capitalised exploration and evaluation assets to prepayments.
- (2) The variance is due to timing differences in recognising a motor vehicle as part of the Group's plant and equipment as at 28 February 2025, following the early disbursement of bank borrowings.
- (3) The variance is due to the reclassification of prepayments related to bank borrowings.
- (4) The variance is due to the under-recognition of tax provisions for a subsidiary of the Group.
- (5) The variance is due to foreign currency translation adjustments from Malaysian Ringgit to United States Dollar.
- (6) The variance is mainly due to the reclassification of the share of results to non-controlling interests for the financial year ended 28 February 2025.
- (7) The variance is due to the recognition of a loss allowance on non-trade amounts due from subsidiaries, based on lifetime expected credit losses following a significant increase in credit risk.
- (8) The variance is mainly due to the reclassification of cash outflows from investing activities related to the acquisition of subsidiaries to changes in working capital.

**BY ORDER OF THE BOARD OF  
FORTRESS MINERALS LIMITED**

Dato' Sri Ivan Chee Yew Fei  
Chief Executive Officer  
6 June 2025

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*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 Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

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