

SENI JAYA CORPORATION BERHAD - Deviation between Unaudited Results and Audited Financial Statements for the financial year ended 31 December 2021

Pursuant to Paragraph 9.19(35) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors ("Board") of Seni Jaya Corporation Berhad ("SJC" or the "Company") wishes to announce that there is a deviation of more than 10% between the net loss after tax stated in the unaudited fourth quarterly results for the financial period ended 31 December 2021 announced on 28 February 2022 ("Unaudited Results") and audited financial statements for the financial year ended 31 December 2021 ("Audited Financial Statements"). The explanation and reconciliation of the deviation is detailed below:

	Unaudited Results	Audited Financial Statements	Variance	
	(RM'000)	(RM'000)	(RM'000)	(%)
Loss before tax	5,521	16,969	11,448	207
Income tax expense	163	239	76	47
Loss for the year	5,684	17,208	11,524	201

Adjustments related to Malaysian Financial Reporting Standard ("MFRS") 9 Financial Instruments

The deviation was mainly attributed by full impairment loss on amount owing by 40% owned associate company, Big Tree Seni Jaya Sdn Bhd ("BTSJ") of RM11.4 million, whose operation was affected by the pandemic.

The Board also wishes to inform that the impairment was not anticipated based on management assessment when the Unaudited Results were announced on 28 February 2022 and there were no findings highlighted by external auditor in the Audit Committee meeting held on 25 February 2022 where the fourth quarter result was approved to be announced. However, the external auditor has subsequently raised different opinion on the Company's assessment on its recoverability notwithstanding that the Company has provided relevant details to support its assessment. As such, the Audit Committee and Board was of the opinion that full allowance for impairment be made accordingly for the purposes of upholding prudent accounting standards.

This announcement is dated 29 April 2022.