

**IMPERIUM CROWN LIMITED**  
(Company Registration No.: 199505053Z)  
(Incorporated in Singapore)

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**RESPONSE TO OUTSTANDING QUERY FROM THE SINGAPORE EXCHANGE REGULATION ON THE ANNOUNCEMENT RELEASED BY THE COMPANY ON THE CORRIGENDUM TO RESULTS ANNOUNCEMENT**

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The Board of Directors (the “**Board**”) of Imperium Crown Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the queries (the “**SGX Queries**”) raised by the Singapore Exchange Regulation (the “**SGX**”) on 27 February 2023 and the response to the SGX Queries released by the Company on 2 March 2023 (the “**SGX Response**”) in relation to the announcement on the Corrigendum to Results Announcement released by the Company on 24 February 2023 (the “**Announcement**”).

The Company would like to provide a response on the outstanding SGX Query 2(c) of the SGX Queries after its consultation with the external auditors (the “**Auditors**”) of the Company. For ease of reference, the entire SGX Query 2 is reproduced below, with the outstanding SGX Query 2(c) denoted in **red font**.

*Unless otherwise defined, capitalised terms used herein shall bear the same meaning as ascribed to them in the Announcement and the SGX Response.*

**SGX Query 2 on Corrigendum to Results Announcement**

- (2) The Loan was disclosed in the Company’s past Annual Reports as “unsecured and no specific repayment terms.” The Company is now clarifying that the Loan is to be repayable by 25 March 2023.
- (a) When was the Loan entered into?
  - (b) Would the repayment date have any implications on the classification of the Loan?
  - (c) **Did the Company highlight the repayment deadline of the Loan to the Auditors, for confirmation on whether there is any impact on the prior year(s) audited financial statements? If so, please disclose the Auditors’ views.**

**Company’s response to SGX Query 2(c)**

The Auditors have indicated that they were unaware of the existence of these formalised Loan agreements (the “**Agreements**”) as these were not furnished to the Auditors during the audit for the financial years ended 30 June 2021 (“**FY2021**”) and 30 June 2022 (“**FY2022**”). They had thus previously concurred with management’s presentation of the Loan to Related Cos as current liabilities in FY2021, which is consistent with the presentation for the financial years prior to FY2021.

Further to discussions with the Auditors and notwithstanding the Company’s announcement released on 2 March 2023, the Company has, taking into consideration the terms of the Loan agreements, agreed that the Loan from Related Cos should be reclassified from current liabilities to non-current liabilities for FY2021 as the due date of the Loan from Related Cos exceeded 12 months as at FY2021. The Company has computed the impact of the Loan on the audited financial statements for the prior years of FY2021 and FY2022 as shown below. The Company has consulted the Auditors and they have concurred on the adjustments as shown below:

## Impact for FY2021

<b>FY2021</b>	<b>Note</b>	<b>Audited figures as previously disclosed S\$'000</b>	<b>Adjustments S\$'000</b>	<b>Adjusted figures S\$'000</b>
<b>Statement of financial position</b>				
Current assets		1,908	-	1,908
Current liabilities		(18,296)		(4,555)
- Derecognition of face value of Loan from Related Cos	1		13,741	
Non-current liabilities		(24,046)		(37,787)
- Measurement of fair value of Loan from Related Cos	2		(12,893)	
- Recognition of unamortised fair value adjustment of Loan from Related Cos	2		(848)	
<b>Consolidated statement of profit or loss and other comprehensive income</b>				
Other income		(63)		(1,042)
- Recognition of other income following fair value of Loan from Related Cos	3		(979)	
Finance costs		2		129
- Amortisation of unamortised fair value adjustment of Loan from Related Cos	3		127	
Other expenses		3,859		4,041
- Exchange difference between closing rate and average rate	3		182	
Loss for the year from continuing operations		10,559	(670)	9,889
<b>Consolidated statement of cash flows</b>				
No impact				

### Note 1

In the statement of financial position for FY2021, the Loan from Related Cos amounting to S\$13,741,000 has previously been disclosed as current liabilities. Based on the terms of the Agreement, the Loan from Related Cos would be reclassified from current liabilities to non-current liabilities as the due date of the Loan from Related Cos exceeded 12 months as at FY2021.

### Note 2

Under Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 9 *Financial Instruments*, the non-current Loan from Related Cos has to be stated at fair value at inception of the loan. The fair value of the Loan from Related Cos amounting to \$12,893,000 and a corresponding unamortised fair value adjustment of S\$848,000 (being the difference between the face value and the fair value of the Loan from Related Cos) would be disclosed as non-current liability.

### Note 3

In the consolidated statement of profit or loss and other comprehensive income for FY2021, under SFRS(I) 9 *Financial Instruments*, other income amounting to S\$979,000 (being the gain on fair value of the Loan from Related Cos) would be recognised. Interest expense amounting to S\$127,000 and exchange losses amounting to S\$182,000 would also be recognised, resulting in an overall decrease in the loss for FY2021 by S\$670,000 from S\$10,559,000 (as per audited FY2021 net loss) to S\$9,889,000.

## Impact for FY2022

<b>FY2022</b>	<b>Note</b>	<b>Audited figures as previously disclosed S\$'000</b>	<b>Adjustments S\$'000</b>	<b>Adjusted figures S\$'000</b>
<b>Statement of financial position</b>				
Current assets		1,568	-	1,568
Current liabilities		(16,790)		(16,790)
- Derecognition of face value of Loan from Related Cos	4		12,110	
- Measurement of fair value of Loan from Related Cos	4		(11,788)	
- Recognition of unamortised fair value adjustment of Loan from Related Cos	4		(322)	
Non-current liabilities		-	-	-
<b>Consolidated statement of profit or loss and other comprehensive income</b>				
Finance costs		3		536
- Amortisation of unamortised interest income of Loan from Related Cos	5		533	
Other expenses		3,173		3,130
- Exchange difference between closing rate and average rate	5		(43)	
Loss for the year from continuing operations		10,559	490	11,049
<b>Consolidated statement of cash flows</b>				
No impact				

### Note 4

In the statement of financial position for FY2022, there is no reclassification of the Loan from Related Cos amounting to S\$12,110,000 from current liabilities as the due date of the Loan from Related Cos is within 12 months as at FY2022.

### Note 5

In the consolidated statement of profit or loss and other comprehensive income for FY2022, under SFRS(I) 9 *Financial Instruments*, interest expense amounting to S\$533,000 and exchange gains amounting to S\$43,000 would be recognised, resulting in an overall increase in the loss for FY2022 by S\$490,000 from S\$10,559,000 (as per audited FY2021 net loss) to S\$11,049,000.

The Company noted that the overall impact to the consolidated statement of profit or loss and other comprehensive income for both FY2021 and FY2022 is not significant. There is also no impact to the consolidated statement of cash flows for both FY2021 and FY2022. Notwithstanding the FY2021 reclassification from current liabilities to non-current liabilities, the Group working capital remains negative (see table below), and the adjustments do not distort the financial analysis on the performance of the Group.

<b>Key ratios</b>	<b>Audited figures as previously disclosed S\$'000</b>	<b>Adjusted audited figures S\$'000</b>
<b>FY2022</b>		
Working capital	(15,222)	(15,222)
<b>FY2021</b>		
Working capital	(16,388)	(2,647)

## **Cautionary Statement**

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbroker, bank managers, solicitor or other professional advisers if they have any doubt about the actions that they should take.

By Order of the Board

Kiar Lee Noi  
Company Secretary

5 April 2023

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*This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd, (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any statements or opinions made or reports contained in this announcement.*

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