

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

The Board of Directors (the “**Board**” or “**Directors**”) of Raffles Infrastructure Holdings Limited (the “**Company**”, together with its subsidiaries, referred to as the “**Group**”) refers to its Audited Financial Statements dated 13 October 2020 (the “**Audited FS**”) and its Unaudited Financial Statements announced on 28 August 2020 (the “**Unaudited FS**”) for the financial year ended 30 June 2020.

Pursuant to Rule 704(6) of the Listing Manual of Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board wishes to announce the information in relation to the material variances between the Audited FS and the Unaudited FS that resulted from the adjustments and reclassifications of accounts proposed by the external auditor and subsequently made by the Group.

The details and explanation of the material variances between the Audited FS and the Unaudited FS are set out below:

	Audited RMB'000	Unaudited RMB'000	Variances RMB'000	Note
Consolidated Statement of Comprehensive Income (Extract)				
Revenue	187,992	199,609	(11,617)	1
Other income	5,867	1,523	4,344	1
Income tax expenses	(12,106)	(13,924)	1,818	1
Profit for the year	28,690	34,145	(5,455)	1
Consolidated Statement of Financial Position (Extract)				
<u>Non-current assets</u>				
Trade and other receivables	272,700	284,512	(11,812)	2
<u>Non-current liabilities</u>				
Deferred tax liabilities	22,629	-	22,629	3
<u>Current liabilities</u>				
Provision for taxation	-	13,924	(13,924)	3
Deferred tax liabilities	-	11,658	(11,658)	3
<u>Equity</u>				
Reserves	(11,585)	(9,976)	(1,609)	4
Accumulated losses	9,539	15,880	(6,341)	1,2,4
Non-controlling interest	19,317	20,226	(909)	3
Company Statement of Financial Position (Extract)				
<u>Equity</u>				
Reserves	93,087	94,696	(1,609)	4
Accumulated losses	(147,687)	(149,296)	1,609	4

Notes:

1. Revenue decreased by RMB11.6 million and other income increased by RMB4.3 million as a result of 2 adjustments – (1) unwinding of discount in conjunction with non-current trade receivables, which were carried at amortised cost, in view of time value of money, and (2) calculation realignment to correct an error so that discounting to account for non-current trade receivables, on amortised cost basis, can start from second year. Initially discounting were effected from Year 1. As a result of the adjustments, the income tax expenses and profit for the year decreased by RMB1.8 million and RMB5.5 million respectively.
2. Non-current receivables decreased by RMB11.8 million as a result of: (1) calculation realignment to correct an error in FY 2020 so that discounting to account for non-current trade receivables, on amortised cost basis, can start from second year, and (2) a prior year adjustment to 2019 to effect a similar correction to make 2019 comparable to 2020.
3. Deferred tax liabilities and Non-controlling interest decreased by RMB3 million (net of increase in deferred tax liabilities of RMB10.9 million and decreased in provision for taxation of RMB13.9 million) and RMB0.9 million, respectively, due to the adjustments as explained in Notes 1 and 2 above. Consequently, provision for taxation of RMB13.9 million and current deferred tax liabilities of RMB11.7 million were reclassified to non-current deferred tax liabilities.
4. Reserves decreased by RM1.6 million due to transfer to accumulated losses in view of change in functional currency of Company from SGD to RMB. The functional currency was revised in the current reporting year.

By Order of the Board
Eric Choo Han Kiat
Executive Director and Chief Executive Officer
15 October 2020