

Vallianz Holdings Limited
Co Reg No. 199206945E

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ANNOUNCEMENT ON CORRECTION OF ANNUAL REPORT

The Board of Directors (the “**Board**”) of Vallianz Holdings Limited (the “**Company**”) refers to its annual report for the financial year ended 31 March 2019 (“**FY2019**”) released via the SGXNET on 15 July 2019. The Board wishes to announce the correction on Note 18 of the FY2019 annual report in relation to investment in the Company’s associate, PT Vallianz Offshore Maritim (“**PTVOM**”), after a detailed review. The Board also wishes to announce that there are certain related party transactions which were not disclosed in Note 6 and 5 of its annual reports for the financial year ended 31 March 2018 (“**FY2018**”) and 31 March 2017 (“**FY2017**”) respectively.

Correction on Note 18 of the annual report for FY2019

The Group has recognised an impairment in associate of US\$67.4m for FY2019. However, the impairment losses of US\$75.9 million incurred by PTVOM (following an asset impairment exercise) were omitted in the disclosure of Note 18 of our audited accounts for FY2019 under the summarised profit and loss statements of PTVOM. Notwithstanding the above, there is no impact on the Group’s financials for FY2019.

PTVOM has a different financial year end from the Company, i.e. 31 December as compared to the Company’s year-end on 31 March. PTVOM incurred the impairment losses of US\$75.9 million in its financial year ended 31 December 2017 (“**PTVOM-FY2017**”). The impairment losses were only recognised when the audited accounts for PTVOM-FY2017 were finalised, which occurred after the Company had printed its annual report for FY2018. The Company had relied on the draft unaudited PTVOM-FY2017 accounts in preparing its audited accounts for FY2018 due to the different financial year-ends.

The amended summarised profit and loss statements of PTVOM for FY2019 should be as follows:

	2019 US\$’000 (as shown in annual report for FY2019)	2019 US\$’000 (amended)
Revenue	11,342	11,342
Loss for the year	(3,795)	(79,720)
Other comprehensive (loss) income for the year	-	-
Total comprehensive loss for the year	(3,795)	(79,720)

For the avoidance of doubt, there is no change to the summarised statements of financial position of PTVOM as disclosed in the annual report for FY2019.

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Correction on Note 6 and 5 of the annual reports for FY2018 and FY2017

The amended related party transactions with associate are as follows:

<u>Associate</u>	2018 US\$'000	2017 US\$'000
<u>As disclosed in the annual reports</u>		
Vessel management income	(432)	(944)
Charter hire expense	218	3,633
<u>Not disclosed previously</u>		
Novation of receivables (originally owing from PTVOM to Swiber) to the Company pursuant to the SOSA ⁽¹⁾	45,207	-
Payment on behalf of PTVOM to its creditors	992	22,555
Reclassification from Accounts Receivables to Other Receivables	-	9,023

Note:

⁽¹⁾ Disclosed in the annual report for FY2018 under Note 3(ii) Key sources of estimation uncertainty – Recoverability of trade and other receivables.

There is no impact on the Group's financials as the Company has taken up these transactions in its financial statements for FY2018 and FY2017.

BY ORDER OF THE BOARD

Ling Yong Wah
Chief Executive Officer
14 October 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Provenance Capital Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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