

ACCORDIA GOLF TRUST
(Business Trust Registration No. 2014002)

(constituted under the laws of the Republic of Singapore and
Managed by Accordia Golf Trust Management Pte. Ltd.)



MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL RESULTS ANNOUNCEMENT AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

The Board of Directors (the “Board”) of Accordia Golf Trust Management Pte. Ltd. (the “Trustee-Manager”) refers to the unaudited full year results announcement for the financial year ended 31 March 2020 (“FY2020”) released on 11 June 2020 (the “Unaudited Results”).

Pursuant to Rule 704(6) of the Listing Manual: Rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”), the Board wishes to highlight that there are material variances between the Unaudited Results and the audited financial statements for FY2020 (“Audited Results”).

A comparison of the Audited Results and the Unaudited Results with the relevant explanatory notes are shown below:

a) Consolidated statement of profit or loss and other comprehensive income for full year ended 31 March 2020

Note	1 Apr 2019 to 31 Mar 2020 (JPY million) (audited)	1 Apr 2019 to 31 Mar 2020 (JPY million) (unaudited)	Variance (JPY million)
Operating income	51,667	51,667	-
Revenue	51,206	51,206	-
Golf course revenue	34,908	34,908	-
Restaurant revenue	12,850	12,850	-
Membership revenue	3,448	3,448	-
Other operating income	461	461	-
Operating expenses	(47,256)	(47,256)	-
Merchandise and material expenses	(3,415)	(3,415)	-
Labour and outsourcing expenses	(16,651)	(16,651)	-
Golf course management fee	(5,766)	(5,766)	-
Golf course maintenance and repair cost	(2,591)	(2,591)	-
Depreciation and amortisation expenses	(5,025)	(5,025)	-
Utility expenses	(1,975)	(1,975)	-
Operating lease expenses	(192)	(192)	-
Selling, general and administrative expenses	(5,574)	(5,574)	-
Trustee-Manager’s fee	(268)	(268)	-
Asset Manager’s fee	(95)	(95)	-
Impairment loss on plant, property and equipment	(2,641)	(2,641)	-
Impairment loss on goodwill	-	-	-
Other operating expenses	(3,063)	(3,063)	-
Operating profit	4,411	4,411	-
Interest and other finance costs	(2,423)	(2,423)	-
Profit before tax	1,988	1,988	-
Income tax expense	(401)	(285)	(116)
Profit for the period	1,587	1,703	(116)
Profit for the period attributable to			
Unitholders of AGT	1,547	1,663	(116)
Non-controlling interest	40	40	-
Profit for the period	1,587	1,703	(116)

b) (i) Consolidated statement of financial position as at 31 March 2020

	Note	AGT Group 31 Mar 2020 (JPY million) (audited)	AGT Group 31 Mar 2020 (JPY million) (unaudited)	Variance (JPY million)
Assets				
Current assets				
Cash and bank balances		8,918	8,918	-
Trade and other receivables		2,282	2,282	-
Inventories		303	303	-
Other assets		281	281	-
		11,784	11,784	-
Non-current assets				
Property, plant and equipment		167,397	167,397	-
Intangible assets		4,046	4,046	-
Other assets		958	958	-
		172,401	172,401	-
Total assets		184,185	184,185	-
Liabilities				
Current liabilities				
Lease liabilities		1,969	1,969	-
Trade and other payables		5,083	5,083	-
Membership deposits		8,744	8,744	-
Income tax payable	(a)	642	526	116
Other liabilities		4,660	4,659	1
		21,098	20,981	117
Non-current liabilities				
Borrowings and lease liabilities		74,742	74,742	-
Borrowing from a related party		500	500	-
Membership deposits		26	27,086	-
Deferred tax liabilities		25,362	25,362	-
Other liabilities		749	749	-
		101,379	101,379	-
Total liabilities		122,477	122,360	117
Net assets		61,708	61,825	117
Equity				
Unitholders' funds		81,086	81,086	-
Accumulated losses		(19,831)	(19,715)	(117)
Equity attributable to Unitholders		61,255	61,371	(117)
Non-controlling interest		454	454	-
Total equity		61,708	61,825	(117)

b) (ii) AGT statement of financial position as at 31 March 2020

	Note	AGT 31 Mar 2020 (JPY million) (audited)	AGT 31 Mar 2020 (JPY million) (unaudited)	Variance (JPY million)
Assets				
Current assets				
Cash and bank balances		107	107	-
Trade and other receivables		2,574	2,574	-
Other assets		1	1	-
		2,682	2,682	-
Non-current asset				
Investment in subsidiary	(b)	59,840	60,529	(689)
Total assets		62,522	63,211	(689)
Total and current liabilities				
Trade and other payables		171	171	-
Income tax payable	(a)	642	526	116
		813	697	116
Net assets		61,709	62,514	(805)
Equity				
Unitholders' funds		81,486	81,486	-
Accumulated losses		(19,777)	(18,972)	(805)
Total equity		61,709	62,514	(805)

Notes:

- (a) On 11 July 2020, the Trust received Additional Notice of Assessment from the Inland Revenue Authority of Singapore ("IRAS"), which IRAS has assessed additional tax payable of S\$1,534,334.74 for the Year of Assessment ("YA") 2017. The said additional tax payable were raised by IRAS who alleged that JPY829,365,039 of the distribution made in 2016 were not subjected to Japanese withholding tax on its cash distributions during the year, and in accordance to Article 23(2) of the Singapore-Japan Double Tax Agreement, foreign tax credit would not be granted on these distribution from Japan to Singapore. Provision of JPY 116 million in income tax liability and expense has been made in the audited financial statements.
- (b) Due to several late adjustments arising from TK profits computation in the closing period of the announcement, Trust level account was not properly adjusted to reflect the changes made. Adjustment does not affect Group level numbers.

By Order of the Board of

Accordia Golf Trust Management Pte. Ltd.
As Trustee-Manager of
Accordia Golf Trust

Tan Lay Hong
Company Secretary
21 August 2020