



HEETON HOLDINGS LIMITED

(Unique Entity Number 197601387M)
Incorporated in the Republic of Singapore

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Board of Directors (the “**Board**”) of Heeton Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement on unaudited financial results for the financial year ended 31 December 2020 (“**FY2020**”) (the “**Announcement**”) released via SGXNet on 24 February 2021.

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the material variances and the reasons for the material variances between the audited financial statements of the Group for FY2020 (the “**Audited Results**”) and the unaudited financial statements stated in the Announcement (the “**Unaudited Results**”) following the finalisation of the audit.

Below are the details of the material variances between the Audited Results and the Unaudited Results for FY2020:

Consolidated Statement of Comprehensive Income

	Unaudited Results	Audited Results	Increase/(Decrease) in expenses		Explanation for the variances
	S\$'000	S\$'000	S\$'000	%	
Expenses					
Impairment losses on financial assets	(600)	(17,417)	16,817	2,802.8%	Refer to explanatory note A
Impairment of property, plant and equipment	(46,618)	(41,760)	(4,858)	(10.4%)	Refer to explanatory note B

Consolidated Statement of Financial Position

	Unaudited Results	Audited Results	Increase/(Decrease)		Explanation for the variances
	S\$'000	S\$'000	S\$'000	%	
ASSETS					
Non-current assets					
Property, plant and equipment	384,485	386,983	2,498	0.6%	Refer to explanatory note C
Investment properties	226,120	223,977	(2,143)	(0.9%)	Refer to explanatory note D
Amounts due from associated companies and joint venture companies (non-trade)	159,592	157,975	(1,617)	(1.0%)	Refer to explanatory note E
Current assets					
Assets held for sale	-	4,503	4,503	NM	Refer to explanatory note F
Other receivables	35,077	19,877	(15,200)	(43.4%)	Refer to explanatory note G
EQUITY					
Retained earnings	351,831	339,872	(11,959)	(3.4%)	Refer to explanatory note H

NM: - not meaningful.

Explanatory notes:

- A. The increase was due to the recognition of additional provision for expected credit loss from the Group's other receivables and amount due from associated companies amounting to S\$15.2 million and S\$1.6 million respectively.
- B. The decrease was due to the finalisation of the assessment of impairment of the Group's hospitality assets resulting in a reduction to the overall impairment charge for the financial year.
- C. The increase was as a result of the reduction to the impairment charge as explained in explanatory note B and was partly offset by a reclassification of certain hospitality asset as assets held for sale.
- D. The decrease was due to a reclassification of certain investment properties as assets held for sale. The sale of these investment properties was completed subsequent to the end of financial year.
- E. The decrease was as a result of additional provision for expected credit loss from the amount due from associated companies as explained in explanatory note A.
- F. The increase was as a result of reclassification of certain hospitality asset and investment properties mentioned in explanatory notes C and D respectively.
- G. The decrease was as a result of additional provision for expected credit loss from the Group's other receivables as explained in explanatory note A.
- H. The decrease was due to an increase in loss attributable to equity holders of the Company as explained in explanatory notes A and B.

By order of the Board

Hoh Chin Yiep
Executive Director and Chief Executive Officer
15 April 2021