



HGH Holdings Ltd.

**HGH HOLDINGS LTD.**

Company Registration No.: 200412064D  
(Incorporated in the Republic of Singapore)

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**MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND  
AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31  
DECEMBER 2021**

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*Unless otherwise defined or the context otherwise requires, all terms herein shall have the same meaning as defined in the announcement dated 1 March 2022.*

The Board of Directors (the "**Board**") of HGH Holdings Ltd. (the "**Company**") refers to the Company's unaudited full year financial results announcement for the financial year ended 31 December 2021 ("**FY2021**") released via the SGXNet on 1 March 2022 (the "**Unaudited Financial Statements**").

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Company wishes to highlight that there are certain adjustments made to the Unaudited Financial Statements following the finalisation of the audit by the Company's external auditors, Crowe Horwath First Trust LLP (the "**Independent Auditors' Report**", and the related audited financial statement is referred to herein as the "**Audited Financial Statements**"). The details and explanations of the material variances are set out in **Appendix A** as annexed hereto.

Shareholders are advised to exercise caution when dealing in shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

The Board confirms that to the best of its knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosure misleading.

**By Order of the Board**

Tan Poh Guan  
Executive Director and Chief Executive Officer  
12 April 2021

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (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 of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr. David Yeong (Tel (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*

## APPENDIX A

### A. Consolidated Statement of Financial Position for FY2021

	The Group				Note
	FY2021 (Audited)	FY2021 (Unaudited)	Variance		
	S\$'000	S\$'000	S\$'000	%	
<b>Non-Current Assets</b>					
Property, plant and equipment	1,685	1,664	21	1.3%	1
Investment properties	53,509	53,530	-21	0.0%	1
<b>Total non-current assets</b>	<b>55,551</b>	<b>55,551</b>	-	-	
<b>Current Assets</b>					
Trade and other receivables	3,566	3,576	-10	-0.3%	*
<b>Total current assets</b>	<b>12,645</b>	<b>12,655</b>	<b>-10</b>	<b>0.0%</b>	
<b>Total assets</b>	<b>68,196</b>	<b>68,206</b>	<b>-10</b>	<b>0.0%</b>	
<b>Non-Current Liabilities</b>					
Lease liabilities	5,353	5,351	2	0.0%	*
Deferred tax liabilities	8,089	8,090	-1	0.0%	*
Other liabilities	684	359	325	90.5%	2
<b>Total non-current liabilities</b>	<b>14,139</b>	<b>13,813</b>	<b>326</b>	<b>2.4%</b>	
<b>Current Liabilities</b>					
Trade and other payables	5,118	5,454	-336	-6.2%	2
<b>Total current liabilities</b>	<b>6,110</b>	<b>6,446</b>	<b>-336</b>	<b>2.4%</b>	
<b>Total liabilities</b>	<b>20,249</b>	<b>20,259</b>	<b>-10</b>	<b>-0.0%</b>	
Reserves	12,766	12,752	14	0.1%	*
<b>Total Equity</b>	<b>47,947</b>	<b>47,947</b>	-	-	

**Note:**

- 1) Mainly due to reclassification of industrial building's depreciation of the Group's wholly-owned subsidiary, Engineering Manufacturing Services (S) Pte. Ltd. ("EMS").
- 2) Being reclassification of rental deposits from the Group's other payables (current) to other liabilities (non-current) in EMS.

\*: Immaterial

### B. Consolidated Statement of Comprehensive Income as at 31 December 2021

	The Group				Note
	FY2021 (Audited)	FY2021 (Unaudited)	Variance		
	S\$'000	S\$'000	S\$'000	%	
Cost of sales and services	-15,516	-15,537	21	-0.1%	*
Other expenses	-1,953	-1,932	-21	1.1%	3
Finance costs	-174	-173	-1	-0.6%	*
Income tax credit	730	729	1	0.1%	*
<b>Total comprehensive loss for the year</b>	<b>-2,292</b>	<b>-2,292</b>	-	-	

**Note:**

- 3) Mainly due to the reclassification of amortisation of intangible assets from cost of sales to other operating expenses.

\*: Immaterial

### C. Consolidated Statement of Cash Flows for FY2021

	The Group				Note
	FY2021 (Audited)	FY2021 (Unaudited)	Variance		
	S\$'000	S\$'000	S\$'000	%	
<b>Loss before tax:</b>	<b>-3,022</b>	<b>-3,021</b>	<b>-1</b>	<b>0.0%</b>	
Bad debts written off	<b>10</b>	-	10	n.m.	<b>4</b>
Depreciation of property, plant and equipment	<b>445</b>	488	-43	-8.8%	<b>5</b>
Depreciation of investment properties	<b>3,109</b>	3,088	21	0.7%	*
Impairment loss on property, plant and equipment	<b>49</b>	48	1	2.1%	*
Interest expense	<b>173</b>	174	-1	-0.6%	*
Rent concession	<b>-44</b>	-	-44	n.m.	<b>6</b>
Trade and other payables	<b>1,998</b>	2,008	-10	-0.5%	*
Income tax paid	<b>-598</b>	-173	-425	n.m.	<b>7</b>
Income tax refund	<b>425</b>	-	425	n.m.	<b>7</b>
<b>Net cash from operating activities</b>	<b>1,920</b>	1,993	-73	-3.7%	
Proceeds from disposal of property, plant and equipment	<b>177</b>	156	21	13.5%	<b>5</b>
<b>Net cash used in investing activities</b>	<b>-196</b>	-217	21	-9.7%	
Interest paid	<b>-173</b>	-3	-170	n.m.	<b>8</b>
Principal repayment of lease liabilities	<b>-452</b>	-672	220	-32.7%	<b>9</b>
<b>Net cash used in financing activities</b>	<b>-758</b>	-810	52	-6.4%	

#### Note:

- 4) Being bad debts written off on club membership.
- 5) Being reclassification of industrial building's depreciation as explained in (1); and reclassification of proceeds from disposal of property, plant and equipment.
- 6) Being rental concession received by W&P Precast Sdn. Bhd. ("WPP(M)") classified as non-cash movement and included interest payment within.
- 7) Mainly due to reclassification of tax refund.
- 8) Mainly due to reclassification of interest expenses from repayment of lease liabilities.
- 9) Being reclassification of interest expenses from repayment of lease liabilities and the inclusion of rent concessions.

\*: Immaterial

n.m.: Not meaningful