



ECOWISE HOLDINGS LIMITED
(Company Registration No. 200209835C)

MATERIAL VARIANCES BETWEEN UNAUDITED AND AUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2019

The board of directors ("**Board**") of ecoWise Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement on 30 December 2019 of its unaudited financial results for the financial year ended 31 October 2019 ("**FY2019**") (the "**Unaudited Financial Statements**"). Further reference is made to the audited financial statements of the Company for FY2019 (the "**Audited Financial Statements**") and the report thereon by the Company's independent auditor included in the Company's annual report for FY2019 which will be issued to shareholders of the Company ("**Shareholders**") and released on the SGXNet in due course.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited, the Board wishes to highlight that subsequent to the release of the Unaudited Financial Statements, the Company's independent auditor has made certain adjustments, in respect of the Statement of Financial Position, Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Cash Flows, for FY2019. Details and explanation of the material variances are set out in the appendix appended separately to this announcement.

Shareholders are advised to read the Audited Financial Statements in the Company's annual report for FY2019, which will be despatched to the Shareholders in due course.

By Order of the Board

CAO SHIXUAN
Executive Director
15 April 2020

This announcement has been prepared by ecoWise Holdings Limited ("**Company**") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by 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 Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd., at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

ECOWISE HOLDINGS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2019
(Expressed in Singapore thousand dollars)

ASSETS	The Group		Variance	Note	The Company		Variance	Note
	(Audited)	(Unaudited)			(Audited)	(Unaudited)		
Non-current assets								
Property, plant and equipment	27,336	27,128	208	(1)	357	357	-	
Intangible assets	1,033	1,033	-		-	-	-	
Land use rights	1,307	1,307	-		-	-	-	
Investments in subsidiaries	-	-	-		32,897	36,850	(3,953)	(4)
Investment in a jointly-controlled entity	1,641	1,641	-		-	-	-	
Investment in an associate	1,681	1,681	-		-	-	-	
Finance lease receivables	8,682	8,682	-		-	-	-	
Other non-financial assets	281	281	-		-	-	-	
Deferred tax assets	395	395	-		-	-	-	
Total non-current assets	42,356	42,148	208		33,254	37,207	(3,953)	
Current assets								
Inventories	5,062	5,062	-		-	-	-	
Income tax receivables	18	18	-		-	-	-	
Trade and other receivables	15,657	15,657	-		3,391	3,437	(46)	
Finance lease receivables	1,017	1,017	-		-	-	-	
Other non-financial assets	2,071	2,071	-		31	31	-	
Derivative financial instruments	4	4	-		-	-	-	
Cash and cash equivalents	5,501	5,501	-		11	11	-	
	29,330	29,330	-		3,433	3,479	(46)	
Assets classified as held for sale	2,499	2,707	(208)	(1)	-	-	-	
Total current assets	31,829	32,037	(208)		3,433	3,479	(46)	
Total ASSETS	74,185	74,185	-		36,687	40,686	(3,999)	
Equity								
Share capital	48,141	48,141	-		48,141	48,141	-	
Accumulated losses	(7,596)	(7,076)	(520)	(5)	(20,421)	(16,349)	(4,072)	
Foreign currency translation reserve	(5,671)	(6,151)	480	(2)	-	-	-	
Other reserves	2,081	2,081	-		-	-	-	
Reserve of disposal group classified as held for sale	-	-	-		-	-	-	
Equity attributable to owners of the Company	36,955	36,995	(40)		27,720	31,792	(4,072)	
Non-controlling interests	4,289	4,289	-		-	-	-	
TOTAL EQUITY	41,244	41,284	(40)		27,720	31,792	(4,072)	
LIABILITIES								
Non-current liabilities								
Provisions	1,194	1,194	-		-	-	-	
Loans and borrowings	3,903	3,903	-		126	126	-	
Deferred tax liabilities	1,863	1,863	-		-	-	-	
Deferred income	1	1	-		-	-	-	
Total non-current liabilities	6,961	6,961	-		126	126	-	
Current liabilities								
Income tax payables	755	755	-		41	41	-	
Trade and other payables	11,917	11,877	40	(3)	8,756	8,683	73	
Derivative financial instruments	131	131	-		-	-	-	
Loans and borrowings	10,944	10,944	-		44	44	-	
Deferred income	7	7	-		-	-	-	
Provisions	-	-	-		-	-	-	
	23,754	23,714	40		8,841	8,768	73	
Liabilities directly associated with assets classified as held for sale	2,226	2,226	-		-	-	-	
Total current liabilities	25,980	25,940	40		8,841	8,768	73	
Total LIABILITIES	32,941	32,901	40		8,967	8,894	73	
Total EQUITY AND LIABILITIES	74,185	74,185	-		36,687	40,686	(3,999)	

(1) Reclassification of fixed assets of Swee Chioh Fishery Pte Ltd from property, plant and equipment to assets classified as held for sale.

(2) Audit adjustment on the foreign currency translation reserve due to the disposal of the subsidiary.

(3) Adjustment for Directors' fee.

(4) Impairment loss for investments in subsidiaries.

(5) Due to adjustments in consolidated statement of profit or loss and other comprehensive income.

ECOWISE HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 OCTOBER 2019
(Expressed in Singapore thousand dollars)

	The Group		Variance	Notes
	(Audited)	(Unaudited)		
Revenue	55,092	55,092	-	
Cost of sales	(44,775)	(44,775)	-	
Gross profit	10,317	10,317	-	
Other income and gains	788	1,438	(650)	(1)
Marketing and distribution expenses	(2,002)	(2,002)	-	
Administrative expenses	(7,232)	(7,192)	(40)	(2)
Finance costs	(908)	(908)	-	
Other losses	(504)	(674)	170	(3)
Share of losses from equity-accounted associates and jointly-controlled entity	(82)	(82)	-	
Profit / (loss) before tax from continuing operations	377	897	(520)	
Income tax expense	(864)	(864)	-	
Loss after tax from continuing operations for the year	(487)	33	(520)	
Other comprehensive (loss) / income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax	(444)	(469)	25	
Cash flow hedges, net of tax	(150)	(150)	-	
Other comprehensive (loss) / income for the year, net of tax	(594)	(619)	25	
Total comprehensive loss	(1,081)	(586)	(495)	
Loss attributable to owners of the company, net of tax	(697)	(177)	(520)	
Profit attributable to non-controlling interests, net of tax	210	210	-	
Loss, net of tax	(487)	33	(520)	
Total comprehensive loss attributable to owners of the company	(1,217)	(722)	(495)	
Total comprehensive income attributable to non-controlling interests	136	136	-	
Total comprehensive loss	(1,081)	(586)	(495)	

(1) Audit adjustment to dispose of a subsidiary and reclassification of foreign currency exchange loss from "Other income and gain" to "Other losses".

(2) Adjustment for Directors' fee.

(3) Reclassification of foreign currency exchange loss from "Other income and gain" to "Other losses" and recovery of doubtful debts.

ECOWISE HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 OCTOBER 2019
(Expressed in Singapore thousand dollars)

	The Group		Variance	Notes
	(Audited)	(Unaudited)		
<u>Cash flows from operating activities</u>				
Profit before income tax	377	897	(520)	
Depreciation of property, plant and equipment	3,391	3,391	-	
(Gain)/Loss on disposal of property, plant and equipment	(130)	207	(337)	(1)
Write off of property, plant and equipment	337	-	337	(1)
Amortisation of intangible assets	84	84	-	
Amortisation of land use rights	60	60	-	
Share of loss from associates and jointly-controlled entity	82	82	-	
Gain on disposal of subsidiaries	(249)	(729)	480	(2)
Net fair value loss on derivative financial instruments	-	-	-	
Provision for retirement benefit obligations expenses, net	39	39	-	
Amortisation of deferred income	(6)	(6)	-	
Finance lease income	(1,123)	(1,123)	-	
Finance income	(41)	(41)	-	
Finance costs	908	908	-	
Net foreign exchange gain	(292)	-	(292)	(3)
Operating cash flows before changes in working capital	3,437	3,769	(332)	
Inventories	1,438	1,438	-	
Trade and other receivables	2,719	3,222	(503)	(4)
Finance lease receivables	836	836	-	
Other non-financial assets	(834)	(845)	11	
Cash restricted in use over 3 months	-	-	-	
Trade and other payables	(1,264)	(1,366)	102	(4)
Other liabilities	-	-	-	
Finance lease income received	1,123	1,123	-	
Retirement benefit obligations paid	(44)	(44)	-	
Net cash flows from operations	7,411	8,133	(722)	
Income tax paid	(192)	(359)	167	
Net cash flows from operating activities	7,219	7,774	(555)	
<u>Cash flows from investing activities</u>				
Acquisition of property, plant and equipment	(2,010)	(1,860)	(150)	(5)
Proceeds from disposal of property, plant and equipment	335	332	3	
Repayment from a jointly-controlled entity	71	71	-	
Interest received	41	41	-	
Proceeds from disposal of subsidiaries	1,192	1,200	(8)	
Net cash flows used in investing activities	(371)	(216)	(155)	
<u>Cash flows from financing activities</u>				
Proceeds from new loans and borrowings	-	-	-	
Repayments of loans and borrowings	(3,142)	(3,180)	38	
Interest paid	(790)	(790)	-	
Purchase of treasury shares	(29)	(29)	-	
Dividends paid to non-controlling interests of subsidiaries	(201)	(201)	-	
(Increase)/decrease in cash restricted in use over 3 months	(419)	(668)	249	(6)
Net cash flows used in financing activities	(4,581)	(4,868)	287	
Net increase in cash and cash equivalents	2,267	2,690	(423)	
Effect of exchange rate changes on cash and cash equivalents	35	(602)	637	
Cash and cash equivalents, consolidated statement of cash flows, beginning balance	(91)	(39)	(52)	
Cash and cash equivalents, consolidated statement of cash flows, ending balance	2,211	2,049	162	

(1) Reclassification from gain on disposal of property, plant and equipment to write off of property, plant and equipment.

(2) Audit adjustment on the gain on disposal of the subsidiary.

(3) Adjustment on foreign currency gain between RMB and MYR against SGD.

(4) Reclassification of (i) trade and other receivables to assets classified as held for sale, and (ii) trade and other payables to liabilities directly associated with assets classified as held for sale, following the sale of Swee Chioh Fishery Pte Ltd.

(5) Reclassification of fixed assets of Swee Chioh Fishery Pte Ltd from property, plant and equipment to assets classified as held for sale.

(6) Due to cancellation of minimum balance to be maintained with the bank.