



REENOVA INVESTMENT HOLDING LIMITED

(Incorporated in the Republic of Singapore | Company Reg. No.: 200104762G)

Website: www.reenovagroup.com

SGX Stock Code: **5EC**

MATERIAL DIFFERENCES BETWEEN THE UNAUDITED FULL YEAR FINANCIAL RESULTS ANNOUNCEMENT AND THE AUDITED FINANCIAL STATEMENTS IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Board of Directors of Reenova Investment Holding Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s unaudited full year financial results announcement for the financial year ended 31 December 2020 (“**FY2020**”) released by the Company on 1 March 2021 (the “**Unaudited FY2020 Financial Statements**”).

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Company wishes to announce that, subsequent to the release of the Unaudited FY2020 Financial Statements on 1 March 2021, the group auditors have, upon finalisation of their audit, proposed certain reclassifications which the Group has adopted accordingly.

Details and clarification of the material differences between the Unaudited FY2020 Financial Statements and the Audited FY2020 Financial Statements are summarised as follows:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Group 2020		Difference		Note
	Unaudited ^(a) S\$	Audited S\$	S\$'000	%	
Equity					
Fair value reserve	(7,779,920)	-	7,780	(100.0)	1
Accumulated losses	(20,571,051)	(28,350,971)	(7,780)	37.8	1

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Group 2020		Difference		Note
	Unaudited ^(a) S\$	Audited S\$	S\$'000	%	
Fair value reserve					
Transfer upon investees being struck off and put into voluntary liquidation	-	7,779,920	7,780	N.M.	1
Balance at 31 December 2020	(7,779,920)	-	7,780	(100.0)	1
Accumulated losses					
Transfer upon investees being struck off and put into voluntary liquidation	-	(7,779,920)	(7,780)	N.M.	1
Balance at 31 December 2020	(20,571,051)	(28,350,971)	(7,780)	37.8	1

^(a) As announced by the Company on SGXNET on 1 March 2021
N.M. - Not meaningful

Explanatory Notes:

- The fair value reserve represents the cumulative fair value changes, net of tax, of financial assets at Fair Value through Other Comprehensive Income (“**FVOCI**”) until they are disposed.

Upon the initial adoption of SFRS(I) 9 *Financial Instruments* on 1 January 2018, the Group elected to measure its then available-for sale (“**AFS**”) quoted and unquoted equity securities (under FRS 39) at FVOCI (under SFRS(I) 9). Cumulative impairment charge of S\$7,779,919 previously recognised in profit or loss were reclassified from accumulated losses to fair value reserve as at 1 January 2018.

During the current financial year, the Group has reclassified fair value reserve amounting to S\$7,779,920 to accumulated losses as two of the investee companies have either been liquidated or struck off in the previous years and one investee company was struck off during the financial year ended 31 December 2020.

The above reclassifications did not result in any change to the Group’s net loss of S\$7,658,873 for the financial year ended 31 December 2020 and the Group’s net asset amount of S\$26,565,684 as at 31 December 2020, which were announced on 1 March 2021. The basic and diluted loss per share for the financial year ended 31 December 2020 remained unchanged at (0.12) Singapore cent whereas the Group’s net asset value per ordinary share as at 31 December 2020 remained unchanged at 0.39 Singapore cent per share.

On Behalf of the Board
Renova Investment Holding Limited

Chen Tong
Executive Chairman

13 April 2021