

**INCREDIBLE HOLDINGS LTD.**  
(Incorporated in the Republic of Singapore)  
Company Registration Number: 199906220H

**DIFFERENCES BETWEEN AUDITED AND PREVIOUSLY ANNOUNCED UNAUDITED FINANCIAL FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

Pursuant to Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited Section B: Rules of Catalist (“**Catalist Rules**”), Incredible Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its unaudited full year financial results for the year ended 31 December 2019 (“**FY2019**”) that was announced on 24 February 2020. Upon the finalization of the FY2019 audit, certain adjustments were made which have a material impact on previously announced FY2019 results. The differences between the previously announced with the explanations for the material differences are set out below.

**1. The Group’s statement of profit or loss and other comprehensive income for financial year ended 31 December 2019 (“FY 2019”)**

| Note                                                           | Group<br>Year Ended 31 December 2019 |                         |             |            |
|----------------------------------------------------------------|--------------------------------------|-------------------------|-------------|------------|
|                                                                | Audited                              | Previously<br>announced | Variance    |            |
|                                                                | S\$’000                              | S\$’000                 | S\$’000     | %          |
| <b>Continuing operations</b>                                   |                                      |                         |             |            |
| Revenue                                                        | 8,781                                | 8,785                   | (4)         | (0.05)     |
| Cost of Sales                                                  | (8,239)                              | (8,239)                 | -           | -          |
| <b>Gross profit</b>                                            | <b>542</b>                           | <b>546</b>              | (4)         | (0.73)     |
| Other operating income                                         | 6                                    | 6                       | -           | -          |
| Selling & distribution expenses                                | (232)                                | (226)                   | (6)         | 2.65       |
| Administrative expenses                                        | (2,384)                              | (2,325)                 | (59)        | 2.54       |
| Other operating expenses                                       | (124)                                | (106)                   | (18)        | 16.98      |
| Share of loss of associates                                    | (155)                                | (155)                   | -           | -          |
| <b>Loss from operations</b>                                    | <b>(2,347)</b>                       | <b>(2,260)</b>          | (87)        | 3.85       |
| Finance expenses                                               | (3)                                  | (1)                     | (2)         | 200.0      |
| <b>Loss before income tax</b>                                  | <b>(2,350)</b>                       | <b>(2,261)</b>          | (89)        | 3.94       |
| Income tax expenses                                            | -                                    | -                       | -           | -          |
| <b>Loss from continuing operations</b>                         | <b>(2,350)</b>                       | <b>(2,261)</b>          | (89)        | 3.94       |
| <b>Loss from discontinued operations</b>                       | <b>(29)</b>                          | <b>(20)</b>             | (9)         | 45.0       |
| <b>Loss for the year</b>                                       | <b>(2,379)</b>                       | <b>(2,281)</b>          | <b>(98)</b> | <b>4.3</b> |
| <b>Other comprehensive income:</b>                             |                                      |                         |             |            |
| Items that may be reclassified subsequently to profit or loss: |                                      |                         |             |            |
| - Foreign currency translation gain/ (loss)                    | 111                                  | (4)                     | 115         | (2,875)    |
| <b>Total comprehensive loss for the year</b>                   | <b>(2,268)</b>                       | <b>(2,285)</b>          | 17          | (0.74)     |

## 2. The Group's statement of financial position as at 31 December 2019

|                                                                                    |    | <b>Group Statement of Financial<br/>Position as at 31 December<br/>2019</b> |                                 |                 |                |
|------------------------------------------------------------------------------------|----|-----------------------------------------------------------------------------|---------------------------------|-----------------|----------------|
|                                                                                    |    | <b>Audited</b>                                                              | <b>Previously<br/>announced</b> | <b>Variance</b> |                |
|                                                                                    |    | <b>S\$'000</b>                                                              | <b>S\$'000</b>                  | <b>S\$'000</b>  | <b>%</b>       |
| <b>Non-current assets</b>                                                          |    |                                                                             |                                 |                 |                |
| Property, plant and equipment                                                      | 2a | 137                                                                         | 16                              | 121             | 756            |
| Investment in associated companies                                                 |    | 1,162                                                                       | 1,126                           | 36              | 3.2            |
| <b>Total non-current assets</b>                                                    |    | <b>1,299</b>                                                                | <b>1,142</b>                    | <b>157</b>      | <b>13.75</b>   |
| <b>Current assets</b>                                                              |    |                                                                             |                                 |                 |                |
| Inventories                                                                        |    | 776                                                                         | 776                             | -               | -              |
| Trade and other receivables                                                        | 2b | 2,482                                                                       | 819                             | 1,663           | 203.05         |
| Due from associate                                                                 | 2c | -                                                                           | 1,712                           | (1,712)         | NM             |
| Cash and cash equivalents                                                          |    | 600                                                                         | 582                             | 18              | 3.09           |
| Assets directly associated with disposal<br>group classified as held for sale      |    | 50                                                                          | 50                              | -               | -              |
| <b>Total current assets</b>                                                        |    | <b>3,908</b>                                                                | <b>3,939</b>                    | <b>(80)</b>     | <b>(2.03)</b>  |
| <b>Current liabilities</b>                                                         |    |                                                                             |                                 |                 |                |
| Trade and other payables                                                           | 2d | (1,035)                                                                     | (965)                           | (70)            | 7.25           |
| Lease liabilities                                                                  | 2e | (64)                                                                        | (1)                             | (63)            | 6,300          |
| Liabilities directly associated with disposal<br>group classified as held for sale |    | (115)                                                                       | (110)                           | (5)             | 4.55           |
| <b>Total current liabilities</b>                                                   |    | <b>(1,214)</b>                                                              | <b>(1,076)</b>                  | <b>(137)</b>    | <b>12.72</b>   |
| <b>Net current assets</b>                                                          |    | <b>2,694</b>                                                                | <b>2,863</b>                    | <b>(169)</b>    | <b>(5.90)</b>  |
| <b>Non-current liabilities</b>                                                     |    |                                                                             |                                 |                 |                |
| Lease liabilities                                                                  | 2f | (62)                                                                        | (4)                             | (58)            | 1,450          |
| <b>Total non-current liabilities</b>                                               |    | <b>(62)</b>                                                                 | <b>(4)</b>                      | <b>(58)</b>     | <b>(1,450)</b> |
| <b>Net assets</b>                                                                  |    | <b>3,931</b>                                                                | <b>4,001</b>                    | <b>(70)</b>     | <b>(1.75)</b>  |
| Share capital                                                                      |    | 38,852                                                                      | 38,852                          | -               | -              |
| Translation reserve                                                                |    | (685)                                                                       | (714)                           | 29              | (4.06)         |
| Accumulated losses                                                                 |    | (33,375)                                                                    | (33,276)                        | (99)            | 0.30           |
| Reserve attributable to disposal group<br>classified as held for sale              |    | (861)                                                                       | (861)                           | -               | -              |
| <b>Total equity</b>                                                                |    | <b>3,931</b>                                                                | <b>4,001</b>                    | <b>(70)</b>     | <b>(1.75)</b>  |

NM: Not Meaningful

### 3. The Group's statement of cash flows for the year ended as at 31 December 2019

|                                                                          |    | Group<br>Year Ended 31 December<br>as at 31 December 2019 |                         |             |                |
|--------------------------------------------------------------------------|----|-----------------------------------------------------------|-------------------------|-------------|----------------|
|                                                                          |    | Audited                                                   | Previously<br>announced | Variance    |                |
|                                                                          |    | S\$'000                                                   | S\$'000                 | S\$'000     | %              |
| <b>Cash flows from operating activities:</b>                             |    |                                                           |                         |             |                |
| Loss before income tax from continuing operations                        |    | (2,350)                                                   | (2,261)                 | (89)        | 3.94           |
| Loss before income tax from discontinued operations                      | 3a | (29)                                                      | (20)                    | (9)         | 45.0           |
| Adjustment for:                                                          |    |                                                           |                         |             |                |
| Depreciation of plant and equipment                                      | 3b | 85                                                        | 23                      | 62          | 269.57         |
| Write off of other receivables                                           |    | 1                                                         | -                       | 1           | NM             |
| Write off amount due from an associated company                          |    | 1                                                         | -                       | 1           | NM             |
| Unrealised exchange gain                                                 | 3c | 88                                                        | 106                     | (18)        | (16.98)        |
| Share of loss of associate                                               |    | 155                                                       | 155                     | -           | -              |
| Interest expenses                                                        | 3d | 3                                                         | 1                       | 2           | 200.0          |
| <b>Operating loss before working capital changes</b>                     |    | <b>(2,046)</b>                                            | <b>(1,996)</b>          | <b>(50)</b> | <b>2.51</b>    |
| Change in working capital:                                               |    |                                                           |                         |             |                |
| Inventories                                                              |    | 1,573                                                     | 1,573                   | -           | -              |
| Trade and other receivables                                              | 3e | 153                                                       | 134                     | 19          | 14.18          |
| Trade and other payables                                                 | 3f | (42)                                                      | (119)                   | 77          | (64.71)        |
| <b>Cash used in operations</b>                                           |    | <b>(362)</b>                                              | <b>(408)</b>            | <b>46</b>   | <b>(11.27)</b> |
| Interest paid                                                            |    | -                                                         | (1)                     | 1           | NM             |
| Income tax paid                                                          |    | (4)                                                       | -                       | (4)         | NM             |
| <b>Net cash used in operating activities</b>                             |    | <b>(366)</b>                                              | <b>(409)</b>            | <b>43</b>   | <b>(10.51)</b> |
| <b>Cash flows from investing activities:</b>                             |    |                                                           |                         |             |                |
| Purchase of plant and equipment                                          |    | (16)                                                      | (16)                    | -           | -              |
| <b>Net cash used in investing activities</b>                             |    | <b>(16)</b>                                               | <b>(16)</b>             | <b>-</b>    | <b>-</b>       |
| <b>Cash flows from financing activities:</b>                             |    |                                                           |                         |             |                |
| Interest paid on lease liabilities                                       |    | (3)                                                       | -                       | (3)         | NM             |
| Advances from a director of the Company                                  |    | 140                                                       | 141                     | (1)         | (0.71)         |
| Repayments of lease obligations                                          | 3g | (64)                                                      | (2)                     | (62)        | 3,100          |
| <b>Net cash generated from financing activities</b>                      |    | <b>73</b>                                                 | <b>139</b>              | <b>(66)</b> | <b>(47.48)</b> |
| <b>Net decrease in cash and cash equivalents</b>                         |    | <b>(309)</b>                                              | <b>(286)</b>            | <b>(23)</b> | <b>8.04</b>    |
| Cash and cash equivalent at beginning of the year                        |    | 903                                                       | 903                     | -           | -              |
| Effect of changes in foreign exchange rates on cash and cash equivalents | 3h | 12                                                        | (28)                    | 40          | (142.86)       |
| Cash and cash equivalent at end of the year                              |    | <b>606</b>                                                | <b>589</b>              | <b>17</b>   | <b>2.89</b>    |
| Cash and cash equivalents                                                |    |                                                           |                         |             |                |
| - Continuing operations                                                  |    | 600                                                       | 582                     |             |                |
| - Discontinued operations                                                |    | 6                                                         | 7                       |             |                |
| Cash and cash equivalents at end of the year                             |    | <b>606</b>                                                | <b>589</b>              |             |                |

NM: Not Meaningful

Note:

As a result of the adjustment and reclassification made to the consolidated statement of financial position and consolidated income statement, correspondent changes have been made to the consolidated statement of cash flows; and it should be read in conjunction with the audited consolidated statement of financial position and audited consolidated income statement.

**Explanatory Notes:**

Note 1a

The variance is due to (i) the adjustment of write off other receivable and (ii) the adjustment on unrealised exchange loss.

Note 1b

The variance is due to the under accrual of audit fee.

Note 1c

The variance is due to the adjustment for currency translation differences arising from translation of financial statements of foreign associated company.

Note 2a

The variance is due to the adoption of SFRS(I) 16 Leases.

Note 2b

The variance is due to (i) the reclassification from amount due from associate (S\$1,696,000) which was shown as a separate line in the full year financial results announcement dated 24 February 2020, (ii) the under accrual of director fee of S\$30,000 and (iii) the adjustment made to professional fee of S\$32,000 from deferred expenses.

Note 2c

The variance is solely due to the reclassification to trade and other receivables.

Note 2d

The variance is due to (i) the under accrual of director fee and (ii) the under accrual of audit fee.

Note 2e

The variance is due to the adoption of SFRS(I) 16 Leases.

Note 2f

The variance is due to the adoption of SFRS(I) 16 Leases.

Note 3a

The variance is due to the under accrual of audit fee.

Note 3b

The variance is due to the adoption of SFRS(I) 16 Leases.

Note 3c

The variance is due to the adjustment on unrealised exchange differences.

Note 3d

The variance is due to the adoption of SFRS(I) 16 Leases.

Note 3e

The variance is mainly due to the adjustment made to professional fee of S\$32,000 from deferred expenses.

Note 3f

The variance is mainly due to the under accrual of director fee of S\$30,000.

Note 3g

The variance is due to the adoption of SFRS(I) 16 Leases.

Note 3h

The variance is due to the adjustment for currency translation differences arising from translation of opening cash and cash equivalent of foreign subsidiaries.

By Order Of The Board

Christian Kwok-Leun Yau Heilesen

Executive Director

Date: 14 May 2020

*This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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