

NauticAWT Limited

(Company Registration Number: 201108075C)

(Incorporated in the Republic of Singapore)

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL RESULTS ANNOUNCEMENT AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The board of directors ("**Board**" or "**Directors**") of NauticAWT Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") refers to the unaudited full year results announcement for the financial year ended 31 December 2019 ("**FY2019**") released on 27 February 2020 (the "**Unaudited Results**").

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 Board wishes to highlight that there are material variances between the Unaudited Results and the audited financial statements for FY2019 ("**Audited Results**"). A comparison of the Audited Results and the Unaudited Results with the relevant explanatory notes are shown below:

Statements of Financial Position as at 31 December 2019

(i) The Group

	Audited	Unaudited	Variance	Note
	US\$	US\$	US\$	
Non-current assets				
Right-of-use assets	117,345	123,483	(6,138)	1
Current liabilities				
Lease liabilities	119,109	112,622	6,487	1
Non-current liabilities				
Lease liabilities	1,437	14,419	(12,982)	1
Other payables	1,053,850	1,144,873	(91,023)	2
Equity				
Share capital	12,075,892	15,587,081	(3,511,189)	3
Other capital reserve	2,275,020	718,247	1,556,773	4
Accumulated losses	(12,391,437)	(14,437,233)	2,045,796	5

Notes:

1. Due to adjustment of right-of-use assets and lease liabilities.
2. Due to recognition of gain on present value of non-current debt restructuring payables of US\$91,023, initially recognised on fair value.
3. Due to recognition of share premium and gain on share issuance for debt restructuring to shareholders and non-shareholders of US\$1,556,773 and US\$1,954,416 respectively.
4. Due to recognition of share premium on share issuance for debt restructuring to shareholders of US\$1,556,773.
5. Mainly due to recognition of gain on share issuance for debt restructuring to non-shareholders and gain on present value of non-current debt restructuring payables, initially recognised on fair value, of US\$1,954,416 and US\$91,023 respectively under Other Income.

(ii) The Company

	Audited	Unaudited	Variance	Note
	US\$	US\$	US\$	
Current liabilities				
Other payables	850,142	776,676	73,466	1
Non-current liabilities				
Other payables	-	71,170	(71,170)	1
Equity				
Share capital	12,075,892	15,587,081	(3,511,189)	2
Other capital reserve	2,275,020	718,247	1,556,773	3
Accumulated losses	(11,982,695)	(13,934,815)	1,952,120	4

Notes:

1. Mainly due to reclassification of an amount due from a wholly-owned subsidiary from non-current to current liabilities.
2. Due to recognition of share premium and gain on share issuance for debt restructuring to shareholders and non-shareholders of US\$1,556,773 and US\$1,954,416 respectively.
3. Due to recognition of share premium on share issuance for debt restructuring to shareholders of US\$1,556,773.
4. Mainly due to recognition of gain on share issuance for debt restructuring to non-shareholders of US\$1,954,416 under Other Income.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for FY2019

(i) The Group

	Audited	Unaudited	Variance	Note
	US\$	US\$	US\$	
Administrative expenses	(3,783,841)	(3,790,263)	6,422	1
Other income	2,292,095	246,656	2,045,439	2
Finance costs	(561,553)	(555,488)	(6,065)	1
Loss before tax	(156,759)	(2,202,555)	2,045,796	3
Loss for the year	(213,942)	(2,259,738)	2,045,796	3
Total comprehensive loss for the year	(115,576)	(2,161,372)	2,045,796	3
EPS (cents)				
From continuing and discontinued operations:				
- Basic	(0.09)	(0.93)	0.84	3
- Diluted	(0.09)	(0.93)	0.84	3
From continuing operations:				
- Basic	(0.07)	(0.91)	0.84	3
- Diluted	(0.07)	(0.91)	0.84	3

Notes:

1. Due to adjustment of right-of-use assets and lease liabilities.
2. Mainly due to recognition of gain on share issuance for debt restructuring to non-shareholders and gain on present value of non-current debt restructuring payables, initially recognised on fair value, of US\$1,954,416 and US\$91,023 respectively.
3. Due to the adjustment of note 1 & 2 above.

Consolidated Statements of Cash Flows for FY2019

As a result of the above changes to the Group's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income, consequential amendments have been made in the Consolidated Statement of Cash Flows for FY2019 which do not affect the cash and cash equivalents of the Group as at 31 December 2019 and 31 December 2018. The key differences between the audited Consolidated Statement of Cash Flows for FY2019 and previously announced unaudited Consolidated Statement of Cash Flows for the same period are set out below:

	<u>Audited</u>	<u>Unaudited</u>	<u>Variance</u>	<u>Note</u>
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	
Net cash generated from operating activities	775,628	453,991	321,637	1
Net cash used in investing activities	(2,937)	(63,476)	60,539	2
Net cash generated from financing activities	1,832,451	2,214,628	(382,177)	3

Notes:

1. Due to reclassification of share issuance cost and lease liabilities to financing activities as well as reclassification of purchase of property, plant and equipment and intangible assets from investing activities.
2. Due to reclassification of purchase of property, plant and equipment and intangible assets to other payables of operating activities.
3. Due to reclassification of item from Note 1 above.

BY ORDER OF THE BOARD

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John Grønbech

Executive Director and CEO

15 April 2020

This announcement has been prepared by NauticAWT Limited (the "Company") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited ("Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.

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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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