RENAISSANCE UNITED LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 199202747M)

MATERIAL DIFFERENCES BETWEEN AUDITED AND UNAUDITED FINANCIAL STATEMENTS

The Board of Directors of Renaissance United Limited (the "Company") refers to the announcement made on 28 June 2019 concerning the full year unaudited financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 30 April 2019.

The Company wishes to announce, pursuant to Rule 704(6) of the Listing Manual of the SGX-ST, material adjustments made following the finalization of the Group's audited financial statements for the year ended 30 April 2019.

The difference between the audited and unaudited financial statements are as follows:

Consolidated Statement of Profit or Loss and Other Comprehensive Income	Note	Group Audited As at 30/04/19 S$'000	Group Unaudited As at 30/04/19 S$'000	Difference S$'000
Other items of revenue	1	1,968	3,372	(1,404)
Total Expenses	1(i)	(105,159)	(87,216)	(17,943)
Income tax credit/(expense)	1(ii)	6,725	(707)	7,432
Adjustment to Loss for the financial year		**(96,466)**	**(84,551)**	**(11,915)**
Other comprehensive loss: Exchange differences on translating of foreign operations		(1,864)	(1,817)	(47)
Reclassification of exchange differences on translating of foreign operations due to derecognition of subsidiary upon loss of control		(1,018)	-	(1,018)
	1(iii)	**(2,882)**	**(1,817)**	**(1,065)**
Adjustment to Total Comprehensive Loss for the financial year		**(99,348)**	**(86,368)**	**(12,980)**

Note 1

The revision to audited Other items of revenue of S$1,968,000 compared to unaudited Other items of revenue of S$3,372,000 is mainly due to adjustment of foreign exchange gain of S$1,402,000 arising from the exchange differences on translation of foreign operations.

Note 1(i)

The revision to audited Total Expenses of S$105,159,000 compared to unaudited Total expenses of S$87,216,000 is largely due to S$16,233,000 loss from derecognition of a subsidiary, Grand Prosper Group Limited, which the Group had loss of control in the board representation.

Note 1(ii)

The revision to audited Income Tax Credit of S$6,725,000 compared to unaudited Income Tax Expense of S$707,000 is due to S$168,000 adjustment of income tax expense of the Group's subsidiaries which is offset by a write back of S$7,600,000 deferred tax liabilities as a result of impairment of the Distribution and Licensing Rights of China subsidiaries.

Note 1(iii)

The revision to audited Other Comprehensive Loss of S$2,882,000 compared to unaudited Other Comprehensive Loss of S$1,817,000 is mainly due to a transfer of S$1,018,000 exchange differences from equity to demonstrate the effect on the derecognition of subsidiary upon loss of control.

As a result of the changes in Note 1, the unaudited Loss per share of 0.366 cents has been revised to audited Loss per share of 0.556 cents.

Statement of Financial Position	Note	Group Audited As at 30/04/19 S$'000	Group Unaudited As at 30/04/19 S$'000	Difference S$'000
Non-Current Assets				
Property, plant and equipment		74,807	76,324	(1,517)
Deferred Tax Asset		487	507	(20)
	2	**75,294**	**76,831**	**(1,537)**
Current Assets				
Trade and Other receivables		13,132	12,021	1,111
Current Liabilities				
Trade and other payables and contract liabilities		(35,991)	(34,722)	(1,269)
Provisions		(242)	(142)	(100)
Current income tax payable		(933)	(868)	(65)
Borrowings		(13,697)	(13,037)	(660)
Net Current Liabilities	**3**	**(37,731)**	**(36,748)**	**(983)**
Non-Current Liabilities				
Borrowings		(6,569)	(7,209)	640
Deferred tax liabilities		-	(7,600)	7,600
	4	**(6,569)**	**(14,809)**	**8,240**
Changes to Net Assets		**30,994**	**25,274**	**5,720**
Equity				
Other reserves		(18,225)	(18,177)	(48)
Accumulated losses		(207,298)	(213,551)	6,253
Non-controlling interests		15,118	15,603	(485)
Changes to Equity	**5**	**(210,405)**	**(216,125)**	**5,720**

Note 2

The revision to audited Non-Current Assets of S$75,821,000 compared to unaudited Non-Current Assets of S$77,358,000 is mainly due to adjustments of S$1,517,000 to costs and depreciation of plant and machinery of the group's China subsidiaries

Note 3

The revision to audited Net Current Liabilities of S$13,846,000 compared to unaudited Net Current Liabilities of S$12,863,000 is largely due to reclassification of S$640,000 from long term borrowings to short term borrowings mainly from China subsidiaries.

Note 4

The revision to audited Non-Current Liabilities of S$6,569,000 compared to unaudited Non-Current Liabilities of S$14,809,000 is mainly due to S$640,000 reclassification to short term borrowings and S$7,600,000 write back of deferred tax liabilities as a result of impairment of the Distribution and Licensing Rights of China subsidiaries as in Note 1(ii) above.

Note 5

The revision to audited Accumulated losses of S$207,298,000 compared to unaudited Accumulated losses of S$213,551,000 is due to changes in current year loss of S$11,915,000 as explained in Note 1, offset by S$170,000 loss to non-controlling interests and S$17,998,000 transfer from equity to current retained earnings, pertaining to the derecognition of subsidiary arising from loss of control in the board representation.

As a result of the changes in Note 2 to Note 5, the audited Net Assets of the Company are S$55,406,000 as compared to the unaudited Net Assets of S$49,686,000.

Allan Tan
Company Secretary
15 August 2019