

SHS HOLDINGS LTD.
(Company Registration Number 197502208Z)
(Incorporated in the Republic of Singapore)

DIFFERENCE BETWEEN UNAUDITED AND AUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

The Board of Directors of SHS Holdings Ltd. (the “Company” and together with its subsidiaries, the “Group”) refer to the unaudited full year financial results announcements for the financial year ended 31 December 2016 (“**FY2016**”) released via the SGX-NET on 27 February 2017 (the “**Unaudited Financial Statements**”). Further reference is made to the Audited Financial Statements of the Company for FY2016 (the “**Audited Financial Statements**”) which will be provided to shareholders and the SGX-ST in due course.

Pursuant to Rule 704(6) of the Listing Manual, the Board wishes to highlight that there are certain adjustments made by the Company to the Consolidated Statement of Comprehensive Income, Statement of Financial Position (Group) and Consolidated Statement of Cash Flows in the Audited Financial Statements compared to what was disclosed in the Unaudited Financial Statements. The adjustments, however, have no material impact on the overall results.

Below is a comparison between the earlier announced unaudited financial statement and the audited financial statements.

Consolidated Statement of Comprehensive Income

	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Change S\$'000	Note
Attributable to:				
Equity holders of the Company				
- Continuing Operations	4,227	4,494	267	a
- Discontinued Operations	7,296	7,296	-	
	11,523	11,790	267	
Non-controlling interests, net of income tax				
- Continuing Operations	114	(153)	(267)	a
- Discontinued Operations	-	-	-	
	114	(153)	(267)	
Profit after income tax	11,637	11,637	-	

Notes:-

- a) Increase in loss attributable to non-controlling interests due to accounting for our share of impairment loss of property, plant and equipment.

Statement of Financial Position (Group)

	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Change S\$'000	Note
Non-current assets				
Property, plant and equipment	42,793	42,793	-	
Investment in associates	22,291	22,291	-	
Financial assets, available-for-sale	19,711	19,711	-	
Investment in Joint Ventures	6	6	-	
Intangible assets	52	52	-	
Goodwill	26,450	26,450	-	
	<u>111,303</u>	<u>111,303</u>		
Current Assets				
Inventories	9,941	9,941	-	
Trade receivables	21,147	21,147	-	
Amount due from a joint venture	328	328	-	
Other receivables and prepayments	32,300	31,888	(412)	b
Loan receivable from joint ventures	2,221	2,633	412	b
Loan receivable from an associated company	600	600	-	
Cash and bank balances	70,792	70,792	-	
	<u>137,329</u>	<u>137,329</u>		
Current Liabilities				
Trade payables and accruals	12,107	12,311	204	c
Other payables	4,594	4,397	(197)	c,d
Term loans	18	18	-	
Other amounts due to bankers	5,314	5,314	-	
Finance leases	103	103	-	
Provision for taxation	535	528	(7)	d
	<u>22,671</u>	<u>22,671</u>		
Non-current Liabilities				
Term loans	3,840	3,840	-	
Finance leases	278	278	-	
Deferred income tax	2,015	2,015	-	
	<u>6,133</u>	<u>6,133</u>		
Net Asset	<u>219,828</u>	<u>219,828</u>		

Statement of Financial Position (Group) (cont'd)

	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Change S\$'000	Note
EQUITY				
Share capital	160,636	160,636	-	
Treasury shares	(5,003)	(5,003)	-	
Asset revaluation reserve	1,748	1,748	-	
Foreign currency translation reserve	897	897	-	
Retained earnings	59,232	59,499	267	e
	<u>217,510</u>	<u>217,777</u>		
Non-controlling interests	2,318	2,051	(267)	e
Total Equity	<u>219,828</u>	<u>219,828</u>		

Notes:-

- b) Reclassification of loan receivable from a joint venture from other receivable balances.
- c) Reclassification of accrued employee benefit (CPF payable) from other payables balances.
- d) Reclassification of GST payable from provision for taxation.
- e) Resulted from the change in (a) above.

Consolidated Statement of Cash Flows

	Unaudited Financial Statements S\$'000	Audited Financial Statements S\$'000	Change S\$'000	Note
Net cash used in operating activities	(9,122)	(1,830)	7,292	f & g
Net cash used in investing activities	(15,287)	(24,751)	(9,464)	f
Net cash used in financing activities	(7,479)	(5,307)	2,172	g
	<u>(31,888)</u>	<u>(31,888)</u>	-	

Notes:-

- f) Reclassification of loan to investee companies and advances payment for capital expenditure from changes in working capital to investing activities.
- g) Reclassification of amount due to non-controlling interests from changes in working capital to financing activities.

BY ORDER OF THE BOARD

Ng Han Kok, Henry
Group Chief Executive Officer
4 April 2017