

## Hoe Leong Corporation Ltd.

(the “Company”)

(Company registration number: 199408433W)

(Incorporated in the Republic of Singapore)

### MATERIAL ADJUSTMENTS TO PREVIOUSLY ANNOUNCED PRELIMINARY FULL YEAR RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Board of Directors (the “**Board**”) of the Company, and together with its subsidiaries (the “**Group**”), refers to the Company’s SGXNet announcement dated 26 February 2021 pertaining to the unaudited full year results for the financial year ended 31 December 2020 (“**FY2020**”).

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Board wishes to announce material adjustments that have been made to the unaudited full year results following the finalisation of audit. Details of the material adjustments are set out below.

#### Statement of Profit or Loss and Comprehensive Income – FY2020

GROUP	Unaudited S\$’000	Note 1 S\$’000	Note 2 S\$’000	Note 3 S\$’000	Unaudited S\$’000
<b>Continuing operations</b>					
Revenue	43,683			(515)	43,168
Cost of sales	(35,671)			556	(35,115)
<b>Gross profit</b>	8,012			41	8,053
Other income	5,548			(4,166)	1,382
Distribution expenses	(3,064)			(83)	(3,147)
Administrative expenses	(6,018)			940	(5,078)
Other expenses	(1,076)			(151)	(1,227)
Impairment loss on trade receivables	(231)			-	(231)
<b>Results from operating activities</b>	3,171	-	-	(3,419)	(248)
Finance income	-			-	-
Finance costs	(902)			383	(519)
<b>Net finance costs</b>	(902)	-	-	383	(519)
<b>Loss before income tax</b>	2,269			(3,036)	(767)
Income tax expense	(183)			-	(183)
<b>Loss from continuing operations</b>	2,086	-	-	(3,036)	(950)
<b>Discontinued operation</b>					
Profit from discontinued operation (net of tax)	-			3,036	3,036
<b>Profit for the year</b>	2,086	-	-	-	2,086
<b>Profit attributable to:</b>					
Owners of the Company	2,086				2,086
<b>Profit for the year</b>	2,086	-	-	-	2,086
<b>Items that are or may be reclassified subsequently to profit or loss:</b>					
Foreign currency translation differences arising from foreign operations	786				786
<b>Other comprehensive income, net of income</b>	786	-	-	-	786
<b>Total comprehensive income for the year</b>	2,872	-	-	-	2,872
<b>Total comprehensive income attributable to:</b>					
Owners of the Company	2,872				2,872
<b>Total comprehensive income for the year</b>	2,872	-	-	-	2,872

**Statement of Financial Position – As at 31 December 2020**

GROUP	Unaudited S\$'000	Note 1 S\$'000	Note 2 S\$'000	Note 3 S\$'000	Audited S\$'000
<b>ASSETS</b>					
Property, plant and equipment	10,550				10,550
Deferred tax assets	650				650
<b>Non-current assets</b>	11,200	-	-	-	11,200
Inventories	17,516				17,516
Trade and other receivables	10,142				10,142
Cash and cash equivalents	3,105				3,105
	30,763				30,763
Assets held for sale	-				-
<b>Current assets</b>	30,763	-	-	-	30,763
<b>Total assets</b>	41,963	-	-	-	41,963
<b>EQUITY</b>					
Share capital	114,461				114,461
Treasury shares	(55)				(55)
Currency translation reserve	(93)				(93)
Accumulated losses	(104,302)				(104,302)
<b>Total equity</b>	10,011	-	-	-	10,011
<b>LIABILITIES</b>					
Loans and borrowings	7,149	(1,601)	502		6,050
Lease liabilities	502		(502)		-
Deferred tax liabilities	39				39
<b>Non-current liabilities</b>	7,690	(1,601)	-	-	6,089
Trade and other payables	10,737				10,737
Loans and borrowings	9,097	1,601	821		11,519
Lease liabilities	821		(821)		-
Other provisions	3,588				3,588
Income tax payable	19				19
<b>Current liabilities</b>	24,262	1,601	-	-	25,863
<b>Total liabilities</b>	31,952	-	-	-	31,952
<b>Total equity and liabilities</b>	41,963	-	-	-	41,963

Notes:

- 1) Reclassification of bank borrowings from non-current liabilities to current liabilities.
- 2) Reclassification of lease liabilities to 'Loans and borrowings'.
- 3) Reclassification of results from vessel chartering segment to 'Profit from discontinued operation (net of tax)'.

BY ORDER OF THE BOARD

Liew Yoke Pheng Joseph  
 Executive Chairman and Chief Executive Officer  
 14 April 2021