

SINGAPORE KITCHEN EQUIPMENT LIMITED
(Company Registration No.: 201312671M)
(Incorporated in Singapore)

CHANGE IN USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING AND PLACEMENT

The Company refers to the proceeds of S\$4.6 million raised from the Initial Public Offer (“**IPO**”) on 23 July 2013 (“**IPO Proceeds**”) and proceeds of S\$1.0 million raised from the Placement of Shares on 13 December 2017 (“**Placement Proceeds**”).

The Board of Directors (the “**Board**” or “**Directors**”) of Singapore Kitchen Equipment Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that the Company intends to reallocate the amount of:

- 1) IPO Proceeds of S\$1.6 million, originally allocated for funding for expansion (including by way of acquisitions, joint ventures, and/or strategic alliances), for acquisition of property, plant & equipment; and
- 2) Placement Proceeds of S\$0.6 million, originally allocated for new business expansion of investments, for general working capital purposes.

The Board is of the view that it is in the best interests of the Group to make the reallocation to better utilise cash available for the purchase and renovation of the newly acquired property situated at 207 Henderson Road and other capital expenditures, which would reduce bank borrowings and hence interest expense.

Details of the change in use of IPO Proceeds and Placement Proceeds are as follows:

IPO Proceeds

Intended use of IPO Proceeds	Amount allocated (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Amount to be reallocated (S\$'000)	Balance of IPO Proceeds as at the date of this announcement (S\$'000)
Acquisition of additional fabrication equipment and machinery	700	(319)	-	381
Funding for expansion, including by way of acquisitions, joint ventures, and/or strategic alliances	1,600	-	(1,600)	-
Acquisition and renovation of the newly acquired property and other capital expenditures	-	-	1,600	1,600
For general working capital purposes of the Group	975	(975)	-	-
Expenses such as professional fees, under writing and placement commission and brokerage, and miscellaneous fees	1,325	(1,325)	-	-
Total	4,600	(2,619)	-	1,981

Placement Proceeds

Intended use of Placement Proceeds	Amount allocated (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Amount to be re-allocated (S\$'000)	Balance of Placement Proceeds as at the date of this announcement (S\$'000)
60% of the Net Proceeds will be used for new business expansion of investments	600	-	(600)	-
40% of the Net Proceeds will be used for general working capital purposes	400	-	600	1,000
Total	1,000	-	-	1,000

The Company will make periodic announcements on the use of the IPO Proceeds and Placement Proceeds on SGXNET as and when the funds are materially disbursed and provide a status report on such use in the annual reports of the Company.

By Order of the Board
SINGAPORE KITCHEN EQUIPMENT LIMITED

Chua Chwee Choo
Executive Director and Chief Executive Officer
21 January 2022

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this announcement. 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 correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor are as follows:

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