

SINGAPORE KITCHEN EQUIPMENT LIMITED

Incorporated in the Republic of Singapore
(Registration No. 201312671M)

MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 AND THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Board of Directors (the “**Board**”) of Singapore Kitchen Equipment Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 1 March 2023 (the “**Previous Announcement**”) in relation to the unaudited full year financial statements announcement for the financial year ended 31 December 2022 (“**FY2022**”) (the “**Unaudited Financial Statements**”).

Unless otherwise defined or the context otherwise requires, all terms used herein shall have the same meaning as defined in the Previous Announcement.

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 announce and clarify certain material variances to the Unaudited Financial Statements following the finalisation of the audit and issuance of the auditor’s report dated 7 April 2023 by the Company’s independent auditor, Foo Kon Tan LLP (the “**Independent Auditor’s Report**”, and the related audited financial statements are referred to herein as “the **Audited Financial Statements**”). The details and explanations of the material variances are set out in Appendix A as annexed hereto.

Shareholders of the Company are advised to read the Audited Financial Statements of the Group in conjunction with the Independent Auditor’s Report as set out in the Company’s Annual Report for FY2022, which has been concurrently released by the Company on 7 April 2023.

The Board confirms that to the best of its knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

By Order of the Board
SINGAPORE KITCHEN EQUIPMENT LIMITED

Chua Chwee Choo
Executive Director and Chief Executive Officer

7 April 2023

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”).

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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APPENDIX A

Extracts of Consolidated Statement of Profit & Loss

	As at 31 December 2022 (Unaudited)	As at 31 December 2022 (Audited)	Variance	Remarks
Revenue	S\$ '000 33,733	S\$ '000 33,955	S\$ '000 222	Due to reclassification of Revenue to Other Income
Cost of Sales	(22,621)	(22,694)	(73)	Due to audit adjustment in cost of goods sold
Other Operating Income	802	519	(283)	Due to reclassification of Revenue to Other Income
Selling and distribution expenses	(3,745)	(3,527)	218	This variance is due to bonus accrual
Administrative expenses	(5,488)	(5,662)	(174)	Due to reclassification of Admin expense to Other Operating expense
Other Operating expenses	(220)	(99)	121	Due to reclassification of Admin expense to Other Operating expense
Taxation	47	61	14	This variance is due to adjustment of income tax
Profit or the year	798	844	45	

	As at 31 December 2022 (Unaudited)	As at 31 December 2022 (Audited)	Variance	Remarks
Property, plant and equipment	S\$ '000 7,629	S\$ '000 7,751	S\$ '000 122	The variance is due to adjustments to recognise items of PPE
Finance lease receivable	140	206	66	The variance is due to classification of current and non current assets
Total non-current assets	8,420	8,608	188	
Inventories	5,245	5,197	(48)	Reclass for GIT to Trade and other receivable (Trade advance payment)
Trade and other receivables and contract assets	9,674	9,735	61	Reclass from Inventories and Income tax recoverable
Finance lease receivable	175	110	(65)	The variance is due to classification of current and non current assets
Total current assets	29,723	29,671	(52)	
Trade and other payables	7,094	7,177	83	The variance is due to additional bonus accrual for QIM
Total current liabilities	(14,970)	(15,053)	(83)	
Total non-current liabilities	(6,894)	(6,894)	0	
	16,280	16,332	52	

	As at 31 December 2022 (Unaudited)	As at 31 December 2022 (Audited)	Variance	Remarks
Summary				
Property, plant and equipment	7,629	7,751	122	The variance is due to adjustments to recognise items of PPE
Total Equity	(16,280)	(16,332)	(52)	

Extracts of Consolidated Statement of Cash Flows

	As at 31 December 2022 (Unaudited)	As at 31 December 2022 (Audited)	Variance	Remarks
Net cash generated from operating activities	S\$ '000 4,030	S\$ '000 3,720	S\$ '000 (310)	Due to amount already paid as deposit being incorrectly categorised
Net cash used in investing activities	(7,271)	(6,951)	320	Due to amount already paid as deposit being incorrectly categorised
Net cash generated from/(used in) financing activities	(30)	948	978	Due to fixed deposits with maturity of 3 months or less incorrectly accounted for in SOCF
Net (decrease) in cash and cash equivalents	(3,271)	(2,283)	988	As above
Exchange differences on translation of cash and cash equivalents	(27)	(40)	(13)	Due to adjustment on exchange differences
Cash and cash equivalents at end of the year	11,522	12,498	976	As above