

**RECLASSIFICATIONS TO THE UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

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The Board of Directors of Singapore Kitchen Equipment Limited (the "Company") and together with its subsidiaries (the "Group") refers to the unaudited full year financial statements and results announcement for the financial year ended 31 December 2013 ("FY2013") released by the Company on 21 February 2014.

The Board wishes to highlight certain reclassifications to the unaudited consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows for FY2013, following the finalisation of the audit. The clarification of the aforesaid reclassifications is set out in Appendix A of this announcement.

**The reclassifications do not have any impact on the Group's results for FY2013.**

By Order of the Board

Chua Chwee Choo  
Managing Director

14 April 2014

*This announcement and its contents have been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch (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 and Sponsor assume 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.*

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>Group</b>			<b>Notes</b>
	<b>FY2013 (Audited) \$</b>	<b>FY2013 (Announcement) \$</b>	<b>Variance</b>	
Revenue	18,641,189	18,689,189	(48,000)	A
Cost of sales	(12,103,795)	(12,103,795)	-	
Gross profit	6,537,394	6,585,394		
<b>Other items of income</b>				
Interest Income	1,421	-	1,421	B
Gain on disposal of property, plant and equipment	-	-	-	
Gain on disposal of property held for sale	-	-	-	
Other income	353,022	343,164	9,858	A,B,C
<b>Other items of expense</b>				
Distribution costs	(1,469,120)	(1,470,310)	1,190	D
Administrative expenses	(4,624,585)	(4,753,900)	129,315	E
Other expenses	(93,784)	-	(93,784)	C,D,E
Finance costs	(132,545)	(132,545)	-	
Profit before income tax	571,803	571,803		
Income tax expense	(461,463)	(461,463)	-	
<b>Profit for financial year</b>	110,340	110,340		
<b>Other comprehensive income:</b>				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising from translation of foreign operations	(7,216)	(7,216)	-	
Income tax relating to components of other comprehensive income	-	-	-	
<b>Other comprehensive income for the financial year, net of tax</b>	(7,216)	(7,216)		
<b>Total comprehensive income for the financial year</b>	103,124	103,124		
<b>Profit attributable to:</b>				
Owners of the parent	110,340	110,340	-	
Non-controlling interests	-	-	-	
	110,340	110,340		
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	103,124	103,124	-	
Non-controlling interests	-	-	-	
	103,124	103,124		

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group As at		Variance	Notes
	31/12/13 (Audited) \$	31/12/13 (Announcement) \$		
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment	949,330	949,330	-	
Intangible assets	62,792	62,792	-	
Investment property	533,110	533,110	-	
Investment in subsidiaries	-	-	-	
Deferred tax assets	-	-	-	
	1,545,232	1,545,232		
<b>CURRENT ASSETS</b>				
Inventories	1,757,652	1,749,652	8,000	F
Trade and other receivables	8,567,571	8,567,571	-	
Prepayments	40,855	40,855	-	
Current income tax recoverable	13,031	13,031	-	
Cash and cash equivalents	9,276,109	9,276,109	-	
	19,655,218	19,647,218		
Less:				
<b>CURRENT LIABILITIES</b>				
Trade and other payables	5,163,829	5,183,729	(19,900)	F,G
Provisions	27,900	-	27,900	G
Borrowings	1,222,133	1,215,413	6,720	H
Finance lease payables	75,563	76,218	(655)	H
Current income tax payable	69,451	69,451	-	
	6,558,876	6,544,811		
<b>NET CURRENT ASSETS</b>	13,096,342	13,102,407		
Less:				
<b>NON-CURRENT LIABILITIES</b>				
Borrowings	808,099	814,819	(6,720)	H
Finance lease payables	322,576	321,921	655	H
Deferred tax liabilities	39,747	39,747	-	
	1,170,422	1,176,487		
	13,471,152	13,471,152		
<b>CAPITAL AND RESERVES</b>				
Share capital	4,124,790	4,124,790	-	
Other reserves	1,272,480	1,272,480	-	
Retained earnings	8,073,882	8,073,882	-	
<b>EQUITY ATTRIBUTABLE TO OWNER OF THE PARENT</b>	13,471,152	13,471,152		
Non-controlling interests	-	-		
<b>TOTAL EQUITY</b>	13,471,152	13,471,152		

## CONSOLIDATED STATEMENT OF CASH FLOW

Consolidated Statement of Cash Flows	Group		Variance	Notes
	FY2013 (Audited) \$	FY2013 (Announcement) \$		
<b>Operating activities</b>				
Profit before income tax	571,803	571,803	-	
Adjustments for:				
Depreciation of property, plant and equipment	202,955	202,955	-	
Depreciation of investment property	21,613	21,613	-	
Plant and equipment written off	556	556	-	
Amortisation for intangible assets	32,368	32,367	1	I
Inventories written down	20,946	20,946	-	
Allowance for impairment loss on third parties trade receivables	1,736	-	1,736	J
Allowance for impairment loss on third parties trade receivables written back	(134,640)	(134,640)	-	
Bad third parties trade receivables written off	1,190	-	1,190	J
Interest income	(1,421)	(1,421)	-	
Interest expenses	132,545	132,545	-	
<b>Operating profit before working capital changes</b>	<b>849,651</b>	<b>846,724</b>		
<b>Working capital changes:</b>				
Inventories	(486,805)	(478,805)	(8,000)	F
Trade and other receivables	(1,302,476)	(1,299,989)	(2,487)	J
Prepayments	20,446	20,446	-	
Trade and other payables	1,649,214	1,669,553	(20,339)	F,G
<b>Cash generated from operations</b>	<b>730,030</b>	<b>757,929</b>		
Income tax paid	(915,234)	(915,234)	-	
<b>Net cash used in operating activities</b>	<b>(185,204)</b>	<b>(157,305)</b>		
<b>Investing activities</b>				
Purchase of property, plant and equipment	(146,414)	(174,314)	27,900	G
Purchase of intangible assets	(28,973)	(28,973)	-	
Interest income	1,421	1,421	-	
<b>Net cash (used in)/from investing activities</b>	<b>(173,966)</b>	<b>(201,866)</b>		
<b>Financing activities</b>				
Proceed from issuance of shares	4,600,000	4,600,000	-	
Share issue expenses	(485,210)	(485,210)	-	
Fixed deposit pledged with banks	(17,791)	-	(17,791)	K
Repayment of term loans	(109,186)	(109,186)	-	
Proceeds from trust receipts	5,291,416	5,291,417	(1)	I
Repayment of trust receipts	(5,268,643)	(5,268,643)	-	
Repayment of obligations under finance leases	(86,158)	(86,158)	-	
Interest paid	(132,545)	(132,545)	-	
Dividend paid	(375,000)	(375,000)	-	
<b>Net cash from financing activities</b>	<b>3,416,883</b>	<b>3,434,675</b>		
<b>Net change in cash and cash equivalents</b>	<b>3,057,713</b>	<b>3,075,504</b>	<b>(17,791)</b>	<b>K</b>
<b>Cash and cash equivalents at the beginning of financial period</b>	<b>5,538,764</b>	<b>5,538,764</b>		
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(370)</b>	<b>(370)</b>		
<b>Cash and cash equivalents at end of financial period</b>	<b>8,596,107</b>	<b>8,613,898</b>		

**Note:**

The adjustments to the unaudited consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows for the financial year were due to:

**Consolidated Statement of Comprehensive Income**

- A        Reclassification of rental income from revenue to other income.
- B        Change in presentation format.
- C        Reclassification of foreign exchange gain from other income to other expenses.
- D        Reclassification of bad trade receivables written off from distribution costs to other expenses.
- E        Reclassification of foreign exchange loss, amortisation of intangible assets and allowance for impairment loss from administrative expenses to other expenses.

**Consolidated Statement of Finance Position**

- F        Reclassification of inventories to other payables.
- G        Reclassification of provision for reinstatement costs from trade and other payable to provisions.
- H        Reclassification of bank borrowings and finance lease between current and non-current portion.

**Consolidated Statement of Cash Flow**

- I        Rounding difference.
- J        Change in presentation format.
- K        Reclassification of fixed deposit to pledged deposit.