

SWEE HONG LIMITED
Company Registration No. 198001852R
(Incorporated in the Republic of Singapore)
(the “**Company**”)

VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2018

The board of directors (the “**Board**”) of Swee Hong Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement on the unaudited full year financial statements for the financial year ended 30 June 2018 released by the Company on SGXNet on 29 August 2018.

The Board wishes to announce and clarify differences between the unaudited financial statements and audited financial statements for the financial year ended 30 June 2018. The variances and the reasons for the differences are set out in the explanatory notes below.

Consolidated Statement of Comprehensive Income for financial year ended 30 June 2018

Particulars	Unaudited \$'000	Audited \$'000	Variances \$'000	Note
Other Gains – Net	730	490	(240)	A
Administrative Expenses	2,275	2,035	240	A

The audit reclassifications are as below:

Note

- A** Other gains net decreased by S\$ 240,000 mainly due to reclassification of foreign exchange losses in administrative expenses to other income.

Statements of Group Financial Position for financial year ended 30 June 2018:

Particulars	Unaudited \$'000	Audited \$'000	Variances \$'000	Note
Current liabilities				
Borrowings	15,306	15,585	(279)	B
Finance lease payables	279	-	279	B
Non-Current liabilities				
Borrowings	6,893	7,751	(858)	B
Finance lease payables	858	-	858	B

Note

- B** Increased in borrowings by S\$ 279,000 was due to reclassification of finance lease payables to borrowings.

Consolidated Statement of Cash Flows for financial year ended 30 June 2018:

Particulars	Unaudited \$'000	Audited \$'000	Variances \$'000	Note
Operating cash flows before working capital changes:				
Gain on de-registration of a subsidiary corporation	-	(7)	7	C
Unrealised currency translation	257	312	(55)	D
Net Cash Used in Operating Activities				
Trade and other payables	(6,706)	(6,699)	(7)	C
Net cash provided by financing activities				
Proceeds from issuance of convertible bonds – net	6,738	7,000	(262)	E
Convertible bonds issue cost paid	-	(262)	262	E
Proceed from finance lease under sale and lease back - net	1,210	1,424	(214)	F
Repayment of finance lease liabilities	(73)	(287)	214	F
Cash and cash equivalents				
Effect of currency translation on cash and cash equivalents	-	(55)	55	D

Notes

- C** Gain on de-registration of a subsidiary corporation to be disclosed in operating cash flows.
- D** Reclassification of foreign exchange losses relating to cash and cash equivalents to be disclosed as 'effect of foreign currency difference'.
- E** Proceeds from issuance of borrowings to disclose as gross amount instead of net amount.
- F** Cashflow from proceeds from issuance of convertible bonds to disclose as gross amount instead of net amount.

BY ORDER OF THE BOARD

Yeo Junyu
Executive Director
11 October 2018