

EASTGATE TECHNOLOGY LTD

(Registration No. 198905519R)

AUDIT ADJUSTMENTS IN THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2014

The Board of Directors of Eastgate Technology Ltd (the "Company") wishes to inform that subsequent to the full year results released on 30 October 2014, audit adjustments were made to the audited Consolidated Statement of Comprehensive Income, Statements of Financial Position and Consolidated Statement of Changes in Equity for the financial year ended 31 August 2014 ("FY2014"), resulting in the following amendments:

Group	Notes	For the financial year ended 31 August 2014				
		As announced	Current year adjustment	Rounding differences	Reclassification	As in Annual Report
		\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated Statement of Comprehensive Income						
Cost of sales	(a) & (b)	(29,822)	60	-	(82)	(29,844)
Interest income	(c)	2	-	-	(2)	-
Other income	(a), (c) & (d)	1,179	(31)	1	(13)	1,136
Administrative expenses	(b)	(6,802)	-	-	82	(6,720)
Other expenses	(d)	(500)	-	-	15	(485)
Income tax expense		(363)	-	(1)	-	(364)
<i>Profit for the year attributable to:</i>						
Owners of the parent	(a)	412	17	-	-	429
Non-controlling interests	(a)	292	12	-	-	304
<i>Total comprehensive income attributable to:</i>						
Owners of the parent	(a)	275	17	-	-	292
Non-controlling interests	(a)	192	12	-	-	204
Statements of Financial Position						
Investment in associate	(a)	181	29	-	-	210
Accumulated losses	(a)	(896)	17	-	-	(879)
Non-controlling interests	(a)	5,754	12	-	-	5,766
Consolidated Statement of Changes in Equity						
Profit for the year	(a)	704	29	-	-	733
<i>Other comprehensive income for the year that may subsequently be reclassified to profit or loss:</i>						
Equity attributable to owners of the parent	(a)	412	17	-	-	429
Non-controlling interests	(a)	292	12	-	-	304

Notes:

- (a) The understatement of inventory in GD Precision Pte. Ltd., a subsidiary of the Group which was divested into an associate on 28 August 2014, resulted in a decrease in cost of sales and a subsequent decrease in the gain on disposal of a subsidiary, as well as an increase in the investment in associate.
- (b) The rental of premises and utilities expenses in GD Precision Pte. Ltd., a subsidiary of the Group which was divested into an associate on 28 August 2014, were reclassified from administrative expenses to cost of sales.
- (c) The interest income was reclassified to other income in the annual report.
- (d) The impairment loss of a property, plant and equipment in a subsidiary of the group was reflected as a loss on disposal of property, plant and equipment in the annual report and offset against gain on disposal of property, plant and equipment.

By Order of the Board
Eastgate Technology Ltd

Submitted by Wong Siew Chuan, Company Secretary on 12 December 2014 to the SGX