

SINGAPORE KITCHEN EQUIPMENT LIMITED

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

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

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SINGAPORE KITCHEN EQUIPMENT LIMITED

Incorporated in the Republic of Singapore
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Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	The Group			
	Note	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000	Increase/ (Decrease) %
Turnover	4	15,764	12,687	24.3
Cost of sales		(11,068)	(8,498)	30.2
Gross Profit		4,696	4,189	12.1
Other Operating Income				
Interest income		4	7	(42.9)
Other income		376	330	13.9
Operating Expenses				
Distribution costs		(1,634)	(1,353)	20.8
Administrative expenses		(2,520)	(2,350)	7.2
Other expenses		(16)	(22)	(27.3)
Finance costs		(115)	(126)	(8.7)
Profit before taxation	5	791	675	17.2
Income tax expenses		(166)	(200)	(17.0)
Profit for the reporting period		625	475	31.6
Other Comprehensive Income				
<u>Items that may be classified subsequently to profit and loss</u>				
Exchange differences arising from translation of foreign operations		(7)	0	n.m
Total Comprehensive Income for the reporting period		618	475	30.1
Profit attributable to :				
-Equity Holders of the Company		618	475	30.1
-Non-controlling interests		-	-	
Total Comprehensive Income attributable to:				
-Equity Holders of the Company		618	475	30.1
-Non-Controlling Interests		-	-	
<u>Earnings Per Share attributable to equity holders of the company</u>				
- Basic (Cents)	6	0.40	0.31	29.0
- Diluted (Cents)	6	0.40	0.31	29.0

* n.m denotes not meaningful

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Condensed Interim Consolidated Statement of Financial Position

	Note	The Group As at		The Company As at	
		30 June 2022 \$'000	31 Dec 2021 \$'000	30 June 2022 \$'000	31 Dec 2021 \$'000
<u>Non-Current Assets</u>					
Property, plant and equipment		7,184	842	3	3
Intangible assets		20	26	-	-
Investment in subsidiaries		-	-	10	10
Rights of Use		872	905	-	-
		8,076	1,773	13	13
<u>Current Assets</u>					
Inventories		5,074	3,358	-	-
Trade and other receivables		9,312	9,996	2,733	2,781
Prepayments		214	92	7	1
Income tax recoverable		52	61	-	-
Pledged bank deposits		759	1,460	-	-
Cash and cash equivalents		12,351	14,977	945	1,163
		27,762	29,944	3,685	3,945
TOTAL ASSETS		35,838	31,717	3,698	3,958
<u>Current Liabilities</u>					
Contract liabilities		1,929	3,272	-	-
Trade and other payables		4,949	4,272	154	153
Provisions for others		63	85	-	-
Borrowings	8	2,768	2,511	-	-
Lease liabilities		681	677	-	-
Income tax payable		458	487	-	-
		10,848	11,304	154	153
<u>Non-Current Liabilities</u>					
Borrowings	8	6,847	2,902	-	-
Lease liabilities		799	785	-	-
Deferred tax liabilities		62	62	-	-
		7,708	3,749	0	0
TOTAL LIABILITIES		18,556	15,053	154	153
NET ASSETS		17,282	16,664	3,543	3,805
<u>Equity</u>					
Share capital	9	5,125	5,125	5,125	5,125
Other Reserves		1,168	1,175	-	-
Retained Earnings		10,989	10,364	(1,582)	(1,320)
TOTAL EQUITY		17,282	16,664	3,543	3,805

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Condensed Interim Consolidated Statement of Cash Flows

	The Group		
	Note	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Operating Activities			
Profit before taxation	5	791	675
Adjustments for:			
Depreciation of Property, Plant & Equipment		159	126
Ammortisation for Intangible Assets		13	13
Ammortisation of Right-Of-Use Assets		533	557
Write Back of Inventories		-	(66)
Finance Cost		115	126
Interest Income		(4)	(7)
Modification of Lease Term		8	-
Operating Cash Flows before Working Capital Changes		1,615	1,424
Working Capital Changes:			
Inventories		(1,723)	391
Trade & Other Receivables		684	2,153
Prepayments		(123)	53
Contract Liabilities		(1,343)	563
Trade & Other Payables		668	(887)
Cash (Used In)/Generated From Operations		(222)	3,697
Income tax refund		9	-
Income tax paid		(194)	(184)
Net Cash (Used In)/Generated From Operating Activities		(407)	3,513
Investing Activities			
Purchases of intangible assets		(7)	(5)
Purchases of property, plant and equipment		(6,516)	(32)
Interest received		4	7
Net Cash Used In Investing Activities		(6,519)	(30)
Financing Activities			
Increase in pledged bank deposits		701	-
Proceeds from borrowings		7,588	4,323
Repayment of borrowings		(3,387)	(4,704)
Interest paid		(87)	(126)
Repayment of obligations under lease		(511)	(494)
Net Cash from Financing Activities		4,304	(1,001)
Net (Decrease)/Increase In Cash & Cash Equivalents		(2,622)	2,482
Cash and Cash Equivalents at Beginning of Financial Year		14,977	14,630
Effect of Exchange Rate Changes on Cash and Cash Equivalents		(4)	(2)
Cash & Cash Equivalents at end of financial year		12,351	17,110

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Condensed Interim Statement of Changes of Equity

		Share Capital	Merger Reserve	Foreign Currency Translation Reserve	Retained Earnings	Equity attributable to owners of the Company	Non-controlling Interest	Total Equity
The Group		(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Balance as at								
1 January 2022		5,125	1,311	(136)	10,364	16,664	-	16,664
Profit for the financial								
year		-	-	-	625	625	-	625
Other comprehensive								
income:								
Exchange differences on								
translating foreign operations		-	-	(7)	-	(7)	-	(7)
Total comprehensive								
(loss)/income for the financial								
year		-	-	(7)	625	618	-	618
Balance as at								
30 June 2022		5,125	1,311	(143)	10,989	17,282	-	17,282

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Condensed Interim Consolidated Statement of Changes of Equity (continued)

		Share Capital	Merger Reserve	Foreign Currency Translation Reserve	Retained Earnings	Equity attributable to owners of the Company	Non- controlling Interest	Total Equity
The Group		(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Balance as at								
1 January 2021		5,125	1,311	(94)	10,027	16,369	-	16,369
Profit for the financial								
year		-	-	-	475	475	-	475
Other comprehensive								
income:								
Exchange differences on								
translating foreign operations		-	-	-	-	-	-	-
Acquisition of subsidiary with non-		-	-	-	-	-	-	-
controlling interest								
Total comprehensive								
(loss)/income for the financial								
year		-	-	-	475	475	-	475
Balance as at								
30 June 2021		5,125	1,311	(94)	10,502	16,844	-	16,844

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Condensed Interim Statement of Changes of Equity (continued)

The Company	Share Capital (S\$'000)	Retained Earnings (S\$'000)	Total Equity (S\$'000)
Balance as at 1 January 2022	5,125	(1,319)	3,806
Loss for the financial year	-	(263)	(263)
Total comprehensive loss for the financial year	-	(263)	(263)
Issuance of ordinary shares	-	-	-
Transactions with owners of the Company			
Dividends	-	-	-
Total transactions with owners of the Company	-	-	-
Balance as at 30 June 2022	5,125	(1,582)	3,543
	Share Capital (S\$'000)	Retained Earnings (S\$'000)	Total Equity (S\$'000)
Balance as at 1 January 2021	5,125	(235)	4,890
Loss for the financial year	-	(475)	(475)
Total comprehensive loss for the financial year	-	(710)	4,415
Transactions with owners of the Company			
Dividends	-	-	-
Total transactions with owners of the Company			
Balance as at 30 June 2021	5,125	(710)	4,415
There are no outstanding convertibles or shares held as treasury shares as at 30 June 2022 and 30 June 2021.			

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Notes to Condensed Interim Consolidated Financial Statements

1. Corporate information

Singapore Kitchen Equipment Ltd (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the “**Group**”). The primary activities of the Group are:

- (a) manufacturing of table, kitchen and other cutlery equipment;
- (b) repair and maintenance and servicing of commercial kitchen equipment; and
- (c) engineering design and consultancy activities.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the period ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (“S\$”) which is the Company’s functional currency.

2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

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4. Segment & Revenue Information

Business Segments

The Group is primarily engaged in three business segments namely:

- (i) Fabrication and distribution of kitchen equipment;
- (ii) Maintenance and servicing of kitchen equipment; and
- (iii) Rental income business

The Group adopts these three business segments for its primary segment information.

4.1. Reportable Segments

Business Segment	Fabrication and distribution business	Maintenance and servicing business	Rental Income	Unallocated	Total
(Unaudited)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1H2022					
Revenue					
External Revenue	12,627	3,066	71	-	15,764
	12,627	3,066	71	-	15,764
Results					
Segment results	221	628	56	-	905
Finance costs	(92)	(22)	(1)	-	(115)
Profit before income tax	129	606	55	-	790
Income tax expense					(166)
Profit for the financial year					624
Non-cash items					
Depreciation of property, plant and equipment	(116)	(28)	(15)	-	(159)
Loss on disposal of plant and equipment	-	-	-	-	-
Amortisation of intangible asset	(10)	(3)	-	-	(13)
Amortisation of right-of-use assets	(429)	(104)	-	-	(533)
Loss allowance on third parties trade receivable	-	-	-	-	-
Inventory written down	-	-	-	-	-
Fair value gain on derivative	-	-	-	-	-
Capital Expenditure					
Property, plant and equipment	-	-	-	6,507	6,507
Intangible asset	-	-	-	7	7
Right-of-use asset	-	-	-	509	509
Assets and Liabilities					
Segment assets	-	-	-	35,786	35,786
Tax Recoverable	-	-	-	52	52
				35,838	35,838
Segment liabilities	-	-	-	(18,037)	(18,037)
- Current income tax payable	-	-	-	(458)	(458)
- Deferred tax payable	-	-	-	(62)	(62)
	-	-	-	(18,557)	(18,557)

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	Fabrication and distribution business	Maintenance and servicing business	Rental Income	Unallocated	Total
Business Segment					
(Unaudited)					
(Reinstated)	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1H2021					
Revenue					
External Sales	9,644	2,915	128	-	12,687
	9,644	2,915	128	-	12,687
Results					
Segment results	713	455	108	(475)	801
Finance costs	(97)	(29)	-	-	(126)
Profit before income tax	616	426	108	(475)	675
Income tax expense					(200)
Profit for the financial year					475
Non-cash items					
Depreciation of property, plant and equipment	(76)	(29)	(21)	-	(126)
Depreciation of right-of-use assets	(412)	(145)	-	-	(557)
Amortisation of intangible asset	(10)	(3)	-	-	(13)
Inventories written back	66	-	-	-	66
Loss allowance on third parties trade receivables	-	-	-	-	-
Inventory written down	-	-	-	-	-
Fair value gain on derivative	-	-	-	-	-
Capital Expenditure					
Property, plant and equipment	-	-	-	41	41
Intangible asset	-	-	-	5	5
Right-of-use asset	-	-	-	182	182
Assets and Liabilities					
Segment assets	-	-	-	31,701	31,701
	-	-	-	31,701	31,701
Segment liabilities	-	-	-	(14,361)	(14,361)
- Current income tax payable	-	-	-	(473)	(473)
- Deferred tax payable	-	-	-	(23)	(23)
	-	-	-	(14,857)	(14,857)

4.2. Disaggregation of Revenue

Geographical information

Revenue is based on the country where the customer is located. Non-current assets comprise primarily property, plant and equipment and investment property and are presented based on the geographical area in which the assets are located.

Group	Singapore	Malaysia	Others	Total
1H2022	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers	15,753	11	-	15,764
Non-current assets	7,720	356	-	8,076

Group	Singapore	Malaysia	Others	Total
1H2021	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue from external customers	12,442	234	11	12,687
Non-current assets	1,844	359	-	2,203

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5. Profit Before Taxation

Profit before income tax is arrived at after charging /(crediting) the following:			Increase/ (Decrease) %
	Group		
	1H2022 (Unaudited) S\$'000	1H2021 (Unaudited) S\$'000	
Depreciation of property, plant and equipment	159	126	26.2
Amortisation of intangible asset	13	13	-
Amortisation of right-of-use asset	533	557	(4.3)
Write back of inventories	-	(66)	n.m
Interest expense	115	126	(8.7)
Interest income	(4)	(7)	(42.9)
Modification of lease term	8	-	n.m

Note: "n.m." denotes not meaningful

6. Earnings Per Share

Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).

Earnings per share ("EPS") ⁽¹⁾	Group	
	30 Jun 2022 (Unaudited)	30 Jun 2021 (Unaudited)
Profit attributable to owners of the Company (S\$'000)	625	475
Weighted average number of ordinary shares for calculation of		
(a) Basic earnings per share	155,000,000	155,000,000
(b) Diluted earnings per share ⁽²⁾	155,000,000	155,000,000
Earnings per ordinary share (cents):-		
(a) Based on weighted average number of issued ordinary shares	0.40	0.31
(b) On a fully diluted basis ⁽²⁾	0.40	0.31

Notes:

- The calculation for the basic and diluted EPS for the respective financial periods is based on the weighted average number of ordinary shares in issue in the respective financial years.
- The basic and diluted EPS were the same as the Group did not have any potentially dilutive instruments for the respective financial periods.

7. Net Asset Value

Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) Current financial period reported on; and
- (b) Immediately preceding financial year.

	Group		Company	
Net Asset Value ("NAV")	30 Jun 2022 (Unaudited)	31 Dec 2021 (Audited)	30 Jun 2022 (Unaudited)	31 Dec 2021 (Audited)
NAV attributable to owners of the Company (S\$'000)	17,280	16,663	3,543	3,806
Actual Number of issued				
Ordinary shares	155,000,000	155,000,000	155,000,000	155,000,000
NAV per ordinary shares (cents)	11.15	10.75	2.29	2.46

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8. Borrowings

Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30 Jun 2022 (Unaudited) (S\$'000)		As at 31 Dec 2021 (Audited) (S\$'000)	
Secured	Unsecured	Secured	Unsecured
2,768	-	2,511	-

Amount repayable after one year

As at 30 Jun 2022 (Unaudited) (S\$'000)		As at 31 Dec 2021 (Audited) (S\$'000)	
Secured	Unsecured	Secured	Unsecured
6,847	-	2,902	-

Details of any collateral secured borrowings:-

Borrowings of the Group comprise bank borrowings and finance lease liabilities supported by corporate guarantee from the Company.

- (a) Trust receipts have maturities of 90 to 150 (31 December 2021: 90 to 150) days. As at 30 June 2022, trust receipts are secured by the title to the Group's inventories with a carrying amount of S\$5,073,913 (31 December 2021: S\$3,357,522).
- (b) The Group's obligations under finance leases are secured by the leased assets, which will be returned to the lessors in the event of default by the Group. The carrying amount of assets acquired under finance leases is approximately S\$680,739 (31 December 2021: S\$676,990) at the end of the current financial year.

9. Share Capital

Details of Changes in the Company's Issued Share Capital	30 Jun 2022		31 Dec 2021	
	Number of ordinary shares	Issued and Paid Up S\$	Number of ordinary shares	Issued and Paid Up S\$
Share capital	155,000,000	5,124,790	155,000,000	5,124,790

There were no changes in the Company's share capital since the end of the previous period reported on, being 31 December 2021.

There are no outstanding convertibles or shares held as treasury shares as at 30 June 2022 and 31 December 2021.

There were no subsidiary holdings during the current financial period reported in.

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Other information required by Appendix 7C of the Catalist Rules

1. *Review*

The condensed consolidated statement of financial position of Singapore Kitchen Equipment Ltd and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

A disclaimer opinion audit report was issued in relation to the audited consolidated financial statements of the Group and the Company for the financial year ended 31 December 2021. The Audit Committee ("AC") is of the view that the Group's systems of internal controls may not be adequate to address financial, operational, compliance and information technology controls and risk management systems for the period under review.

The Company has since appointed Baker Tilly Consultancy (Singapore) Pte Ltd, as the Company's internal auditor to review and enhance the Company's operating procedures and internal controls.

The internal auditor will carry out an audit of the internal controls system and processes and will report the findings to the Audit Committee ("AC") in due course. The AC will review the internal auditor's findings and oversee the implementation of the recommended remedies and controls so as to address any internal control gaps which are identified by the internal audit.

2. *Review of performance of the Group*

Consolidated Statement of Comprehensive Income

Revenue

For the financial year ended 30 June 2022 ("1H2022"), the Group recorded revenue amounting to S\$15.8 million compared to S\$12.7 million in the previous corresponding period ("1H2021"). The increase in Group's revenue was primarily due to higher sales generated from fabrication and distribution of kitchen equipment and servicing and maintenance of kitchen equipment, as the food and beverage ("F&B") industry continues its recovery from the business disruptions caused COVID-19 pandemic. Cold room systems contributed S\$1.5 million revenue in 1H2022.

Cost of sales and gross profit

The Group's cost of sales increased by approximately S\$2.5 million from S\$8.5 million in 1H2021 to S\$11 million in 1H2022 mainly due to an increase in cost of goods sold of approximately S\$1.9 million resulting from increasing freight costs. Tight labour market also results in increase in direct labour costs of approximately S\$0.6 million.

The Group's gross profit for 1H2022 is approximately S\$4.7 million which is higher when compared to the gross profit of S\$4.2 million achieved in 1H2021.

Other items of income

Other income increased by approximately S\$0.1 million from S\$0.3 million in 1H2021 to S\$0.4 million in 1H2022 mainly due to Jobs Growth Incentive support received by the Group from the government for supporting local hiring.

Distribution costs

Distribution expense increased by approximately S\$0.2 million from S\$1.4 million in 1H2021 to S\$1.6 million in 1H2022. This was mainly due to the increase in labour costs and petrol costs of approximately S\$0.2 million.

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Review of performance of the Group (continued)

Administrative expenses

Administrative expenses increased by approximately S\$0.1 million from S\$2.4 million in 1H2021 to S\$2.5 million in 1H2022 and the increase was mainly due to the higher audit and sponsor fees and long service awards given out to employees.

Other expenses

Other expenses remain relatively constant at S\$0.02 million for 1H2021 and 1H2022.

Finance costs

Finance costs remains relatively constant.

Profit for the financial year

The Group reported a net profit after tax (“NPAT”) of approximately S\$0.6 million in 1H2022 which is higher when compared to the NPAT of approximately S\$0.5 million in 1H2021.

Statement of Financial Position

Non- current assets

The Group's non-current assets increased by S\$6.3 million to S\$8.1 million as at 30 June 2022 (31 December 2021: S\$1.8 million) mainly due to purchase of 207 Henderson Road freehold building.

Current assets

The Group's current assets amounted to approximately S\$27.8 million as at 30 June 2022 (31 December 2021: S\$30.0 million).

The Group's inventories increased by S\$1.7 million from S\$3.4 million as at 31 December 2021 to S\$5.1 million as at 30 June 2022 mainly due to the increase in inventory stock up in anticipation of more businesses and supply chain disruptions.

The decrease in trade receivables by approximately S\$0.7 million from S\$10.0 million as at 31 December 2021 to S\$9.3 million as at 30 June 2022 is mainly attributed to the proactive collection strategy adopted by the Group during the year.

The decrease in cash and cash equivalents is mainly due to cash paid for purchase of 207 Henderson Road freehold building and cash tied-up in inventories.

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Review of performance of the Group (continued)

Statement of Financial Position (continued)

Current liabilities

The Group's current liabilities position decreased by S\$0.4 million from S\$11.3 million as at 31 December 2021 to S\$10.9 million as at 30 June 2022.

The decrease in contract liabilities by approximately S\$1.4 million from S\$3.3 million as at 31 December 2021 to S\$1.9 million as at 30 June 2022 is mainly due to decrease in advance payments by customers.

The increase in trade payables by approximately S\$0.7 million from S\$4.3 million as at 31 December 2021 to S\$5.0 million as at 30 June 2022 is mainly attributed to increase in purchases from our suppliers, which is required to support the increase in demand from the Group's customers.

Non-current liabilities

The Group's non-current liabilities increase of S\$3.6 million is mainly due to bank loan taken for purchase of 207 Henderson Road freehold building.

Shareholders' equity

As at 30 June 2022, the Group's shareholders' equity amounted to S\$17.3 million which is higher than the shareholders' equity of S\$16.7 million as at 31 December 2021, as a result of the increase in retained earnings of approximately S\$0.6 million.

Consolidated Statement of Cash Flows

Cash and cash equivalents, excluding pledged fixed deposits, amounted to approximately S\$12.4 million as at 30 June 2022, representing a decrease of approximately S\$2.6 million from the cash and cash equivalents balance of S\$15.0 million as at 31 December 2021.

Net cash from operating activities

The Group's net cash outflows from the operating activities was approximately S\$0.4 million. This was mainly due to increase of S\$1.7 million in purchase of inventories.

Net cash flows used in investing activities

Net cash outflows used in investing activities during 1H2022 amounted to approximately S\$6.5 million as a result of purchase 207 Henderson Road freehold building.

Net cash flows from financing activities

Net cash inflows from financing activities during 1H2022 was approximately S\$4.3 million due mainly to proceeds from new borrowings for purchase of 207 Henderson Road freehold building.

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2. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

Not applicable.

3. *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

In view of the return to normalcy from COVID-19 restrictions, the Group is expecting business to bounce back with increase in demand for services in the maintenance and servicing sector and also more new projects. The Group is also actively reducing costs, increasing productivity and maximising use of its labour force in the tight labour market.

4. *If a decision regarding dividend has been made:-*

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

Yes, The Board of Directors recommend one tier tax-exempt interim dividend for FY 2022

Name of Dividend	Interim Dividend
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.25 Singapore cent per share
Tax Rate	Tax Exempt (one-tier)

(b) Corresponding Period of the Immediately preceding financial year: any final dividend recommended for the corresponding period of the immediately preceding financial year?

The Company declared a 0.5 Singapore cent per share final dividend for the financial year 2021.

(c) Date payable

To be advised.

(d) Record date

To be advised.

5. *If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.*

Not Applicable

6. *If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.*

The Group has not obtained general mandate from shareholders for Interested Person Transactions. There was no Interested Persons Transactions exceeding S\$100,000 conducted by the Group during the current financial year reported on.

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7. Update on use of proceeds

(a) Initial Public Offer ("IPO")

As at 30 June 2022, the utilisation of the IPO proceeds is as follows:

	Allocation	Amount utilised	Amount un-utilised
	S\$'000	S\$'000	S\$'000
(a) Acquisition of additional fabrication equipment and machinery	700	319	381
(b) Acquisition and renovation of the newly acquired property and other capital expenditures	1,600	1,355	245
(c) For general working purposes of our Group	975	975	-
(d) IPO expenses	1,325	1,325	-
Total	4,600	3,974	626

The Company will continue to make periodic announcements on the use of proceeds via SGXNET as and when the remaining proceeds are materially disbursed.

(b) Placement

The Company has raised net proceeds from the Placement of approximately S\$1.0 million, which will be utilized as follows:

- 100% of the Net Proceeds will be used for general working capital purposes.

As at 30 June 2022, the proceeds have not yet been utilized. The Company has reallocated the placement proceeds from use for new business expansion or investments to general working capital purposes. The Company will continue to make periodic announcements on the use of proceeds via SGXNET as and when the remaining proceeds are materially disbursed.

8. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company.

9. Confirmation Negative Confirmation by The Board Pursuant to Rule 705(5)

To the best of their knowledge, the Board of Directors have confirmed that nothing has come to their attention which may render the unaudited financial results of the Group for 1H2022 presented in this announcement to be false or misleading in any material aspect.

10. Confirmation that the issue has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Listing Manual

The Board of Directors of Singapore Kitchen Equipment Limited hereby confirms that the undertakings under Rule 720(1) of the Listing Manual have been obtained from all the directors and executive officers as required in the format set out in Appendix 7H.

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BY ORDER OF THE BOARD

Sally Chua Chwee Choo
Executive Director and Chief Executive Officer
Aug 08 2022

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte Ltd (the "Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. 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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