



新興重型機械有限公司  
**SIN HENG HEAVY MACHINERY LIMITED**

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Website: www.sinheng.com.sg  
CO REG. NO: 198101305R  
GST REG. NO: M2-0043237-1

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**VARIANCE BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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The Board of Directors (“**Board**”) of Sin Heng Heavy Machinery Limited (“**Company**” and together with its subsidiaries, “**Group**”) refers to the announcement on the unaudited full year financial statements for the financial year ended 31 December 2021 (“**FY2021**”) released on 25 February 2022 (the “**Unaudited Financial Statements**”).

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board wishes to announce that subsequent to the release of FY2021 Unaudited Financial Statements, certain reclassifications were made following the finalisation of the audit by the independent auditor.

The details and explanation of the variances between the audited financial statements for FY2021 and the Unaudited Financial Statements are set out below.

**Consolidated Statement of Cash Flows**

	<b>Audited S\$'000</b>	<b>Unaudited S\$'000</b>	<b>Variance S\$'000</b>	<b>Notes</b>
<b>Operating activities</b>				
Adjustments for:				
Net unrealised foreign exchange loss/(gain)	907	969	(62)	N.M.
Bad debts (recovered)	(173)	-	(173)	(i)
Operating cash flows before movements in working capital	13,341	13,573	(232)	N.M.
Trade receivables	14,898	14,725	173	N.M.
Inventories	12,568	12,122	446	N.M.
Cash generated from operations	41,154	40,769	385	N.M.
Purchase of property, plant and equipment	(13,705)	-	(13,705)	(ii)
Net cash from operating activities	26,984	40,283	(13,299)	
<b>Investing activities</b>				
Purchase of property, plant and equipment	(68)	(13,775)	13,707	(ii)
Proceeds from disposal of property, plant and equipment	201	609	(408)	(iii)
Net cash used in investing activities	(1,513)	(14,812)	13,299	

- (i) Add back the bad debts recovered.
- (ii) Reclassification of purchase of property, plant and equipment for rental use as operating activities.
- (iii) Reclassification of proceeds from sales of equipment under “movement in inventories”.

N.M. – Not meaningful / not material.

**BY ORDER OF THE BOARD**

Tan Ah Lye  
Executive Director and Chief Executive Officer  
7 April 2022