



KIM HENG LTD.

(Company Registration Number: 201311482K)
(Incorporated in the Republic of Singapore on 29 April 2013)
(the “**Company**”)

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The board of directors (the “**Board**”) of Kim Heng Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s unaudited full-year financial statements announcement for the financial year ended 31 December 2023 (“**FY2023**”) dated 23 February 2024 (the “**Unaudited Financial Statements**”) released via SGXNet.

Unless otherwise defined or the context otherwise requires, all terms used herein shall have the same meanings as defined in the Unaudited Financial Statements.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board wishes to announce and clarify certain material variances to the Unaudited Financial Statements following the finalisation of the audit and issuance of the auditor’s report dated 11 April 2024 by the Company’s external auditors, Messrs Foo Kon Tan LLP (the “**Independent Auditors’ Report**”, and the related audited financial statements are referred to herein as the “**Audited Financial Statements**”). The details of the material variances are set out in Appendix A as annexed hereto. For the avoidance of doubt, there is no variance on the net profit reported in the Consolidated Statement of Comprehensive Income between the Unaudited Financial Statement and the Audited Financial Statements.

With regard to the Audited Financial Statements and this announcement, shareholders of the Company (the “**Shareholders**”) are advised to read both in conjunction with the Independent Auditors’ Report released by the Company in the announcement dated 11 April 2024.

Shareholders are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

The Board confirms that to the best of its knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

By Order of the Board

Tan Keng Siong Thomas
Executive Chairman & CEO
Kim Heng Ltd.

11 April 2024

*This announcement has been reviewed by the Company’s sponsor (“**Sponsor**”), SAC Capital Private Limited. This announcement has not been examined or approved by the Singapore Exchange Securities Limited (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 contact person for the Sponsor is Ms. Tay Sim Yee, SAC Capital Private Limited at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210

Appendix A

i) Statements of Financial Position

	Note	31 December 2023 (Unaudited) S\$'000	31 December 2023 (Audited) S\$'000	Material Variance S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	A	78,716	75,294	(3,422)
Current assets				
Inventories	A	25,318	28,740	3,422
LIABILITIES				
Non-current liabilities				
Lease liabilities	B	12,746	12,045	(701)
Current liabilities				
Lease liabilities	B	3,062	3,763	701

ii) **Statements of Cash Flow**

	Note	31 December 2023 (Unaudited)	31 December 2023 (Audited)	Material Variance
		S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Changes in working capital:				
Trade and other receivables	C	563	(4,182)	(4,745)
Cash generated from operations		10,724	6,397	(4,327)
Net cash generated from operating activities		9,977	5,650	(4,327)
Cash flows from investing activities				
Acquisition of property, plant and equipment and right-of-use assets	C	(13,490)	(11,211)	2,279
Proceeds from disposal of property, plant and equipment and assets held-for-sale	C	6,748	7,586	838
Net cash used in investing activities		(6,969)	(3,852)	3,117
Cash flows from financing activities				
Proceeds from term loans	C	11,285	12,394	1,109
Net cash used in financing activities		(4,839)	(3,730)	1,109

Note A: The variance is due to reclassification of property plant and equipment to inventories.

Note B: The variance is due to reclassification of non-current portion of the lease liabilities to current liabilities previously wrongly classified.

Note C: The variances were due to reclassifications of cashflows used to (i) acquire certain property, plant and equipment under investing activities and (ii) proceeds from disbursement of term loan under financing activities, wrongly classified in changes in working capital included under cash flows from operating activities.