



CSC HOLDINGS LIMITED

(Company Registration Number: 199707845E)

Condensed Interim Financial Statements

For the 6 Months Ended 30 September 2024

(For the Financial Year Ending 31 March 2025)

Table of Contents

Page

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS	3
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	4
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION.....	5
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY.....	7
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	10
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS.....	12
1. CORPORATE INFORMATION	12
2. BASIS OF PREPARATION.....	12
3. SEASONAL OPERATIONS	13
4. REVENUE AND SEGMENT INFORMATION	13
5. PROFIT/(LOSS) BEFORE TAX	17
6. TAX CREDIT.....	18
7. EARNINGS/(LOSS) PER SHARE	18
8. PROPERTY, PLANT AND EQUIPMENT	19
9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES	19
10. INVESTMENT PROPERTY	19
11. INVENTORIES.....	20
12. SHARE CAPITAL.....	20
13. LOANS AND BORROWINGS.....	21
14. DIVIDENDS	21
15. NET ASSET VALUE.....	21
16. COMMITMENTS	22
17. RELATED PARTIES	22
18. FAIR VALUE OF FINANCIAL INSTRUMENTS.....	23
19. SUBSEQUENT EVENT	26
OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2.....	27
1. REVIEW OF THE PERFORMANCE OF THE GROUP	27
2. OUTLOOK.....	34
3. INTERESTED PERSON TRANSACTIONS	35
4. AUDIT / REVIEW	35
5. VARIANCE FROM PROSPECT STATEMENT	35
6. DIVIDEND.....	35
7. CONFIRMATION	36

Condensed Interim Consolidated Statement of Profit or Loss
For the 6 Months ended 30 September 2024

	Note	Group		Change
		6 months ended		
		30-Sep-24	30-Sep-23	
		\$'000	\$'000	%
Revenue	4a	154,493	146,426	5.5
Cost of sales	5a	(136,936)	(133,467)	2.6
Gross profit		17,557	12,959	35.5
Other income	5b	1,218	675	80.4
Operating expenses				
- Distribution expenses		(408)	(323)	26.3
- Administrative expenses	5c	(12,577)	(14,135)	(11.0)
- Other operating expenses	5d	(77)	(131)	(41.2)
		(13,062)	(14,589)	(10.5)
Results from operating activities		5,713	(955)	N.M.
Net finance expenses				
- Finance income		127	370	(65.7)
- Finance expenses		(3,682)	(3,501)	5.2
		(3,555)	(3,131)	13.5
Share of profit of associates (net of tax)		297	134	>100.0
Profit/(Loss) before tax		2,455	(3,952)	N.M.
Tax credit	6	42	212	(80.2)
Profit/(Loss) for the period		2,497	(3,740)	N.M.
Attributable to:				
Owners of the Company		2,149	(2,963)	N.M.
Non-controlling interests		348	(777)	N.M.
Profit/(Loss) for the period		2,497	(3,740)	N.M.

Gross profit margin	11.4%	8.9%
Net profit/(loss) margin	1.6%	-2.6%

Condensed Interim Consolidated Statement of Comprehensive Income

For the 6 Months ended 30 September 2024

	Group		Change
	6 months ended		
	30-Sep-24	30-Sep-23	
	\$'000	\$'000	%
Profit/(Loss) for the period	2,497	(3,740)	N.M.
Other comprehensive (expense)/income Item that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences - foreign operations	(893)	208	N.M.
Other comprehensive (expense)/income for the period, net of tax	(893)	208	N.M.
Total comprehensive income/(expense) for the period	1,604	(3,532)	N.M.
Attributable to:			
Owners of the Company	1,304	(2,743)	N.M.
Non-controlling interests	300	(789)	N.M.
Total comprehensive income/(expense) for the period	1,604	(3,532)	N.M.

Condensed Interim Statement of Financial Position
As at 30 September 2024

DESCRIPTION	Note	Group		Company	
		30-Sep-24	31-Mar-24	30-Sep-24	31-Mar-24
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	8	115,206	115,326	-	-
Right-of-use assets	9	35,930	37,657	33,012	34,215
Goodwill		552	552	-	-
Investment property	10	205	162	-	-
Investments in:					
- subsidiaries		-	-	101,404	101,404
- associates		7,704	7,373	-	-
Contract assets		14	137	-	-
Trade and other receivables		9,759	10,557	10,783	9,383
Deferred tax assets		98	37	534	480
		169,468	171,801	145,733	145,482
Current assets					
Inventories	11	22,948	20,219	-	-
Contract assets		77,645	64,338	-	-
Trade and other receivables		98,548	91,998	24,509	22,563
Tax recoverable		502	432	-	-
Cash and cash equivalents		14,106	18,808	1,254	720
		213,749	195,795	25,763	23,283
Assets held for sale		4,214	4,725	-	-
		217,963	200,520	25,763	23,283
Total assets		387,431	372,321	171,496	168,765

Condensed Interim Statement of Financial Position (Cont'd)
As at 30 September 2024

DESCRIPTION	Note	Group		Company	
		30-Sep-24	31-Mar-24	30-Sep-24	31-Mar-24
		\$'000	\$'000	\$'000	\$'000
Equity attributable to owners of the Company					
Share capital	12	94,089	94,089	94,089	94,089
Reserves		(12,616)	(13,862)	14,863	15,021
		81,473	80,227	108,952	109,110
Non-controlling interests		25,379	25,079	-	-
Total equity		106,852	105,306	108,952	109,110
Non-current liabilities					
Loans and borrowings	13	11,222	14,497	-	130
Lease liabilities *	9	35,037	36,133	33,901	34,838
Trade and other payables		9,158	8,549	-	-
Provisions		60	60	60	60
Deferred tax liabilities		1,058	1,109	-	-
		56,535	60,348	33,961	35,028
Current liabilities					
Loans and borrowings	13	83,371	82,251	12,527	7,390
Lease liabilities *	9	3,770	4,082	1,851	1,795
Contract liabilities		7,423	190	-	-
Trade and other payables		120,242	112,949	14,205	15,442
Provisions		9,070	6,892	-	-
Current tax payable		168	303	-	-
		224,044	206,667	28,583	24,627
Total liabilities		280,579	267,015	62,544	59,655
Total equity and liabilities		387,431	372,321	171,496	168,765

* Relating to Right-of-use assets.

Condensed Interim Statements of Changes in Equity

For the 6 Months ended 30 September 2024

<u>Group</u>	Share capital	Capital reserve	Reserve for own shares	Reserve on consolidation	Foreign currency translation reserve	Revaluation reserve	Other reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2023	94,089	17,798	(3,049)	116	(6,511)	2,675	(2,334)	(3,732)	99,052	25,303	124,355
Total comprehensive income/(expense) for the period											
Loss for the period	-	-	-	-	-	-	-	(2,963)	(2,963)	(777)	(3,740)
Other comprehensive income/(expense)											
Foreign currency translation differences	-	-	-	-	215	5	-	-	220	(12)	208
Transfer of revaluation surplus of property	-	-	-	-	-	(171)	-	171	-	-	-
Total other comprehensive income/(expense)	-	-	-	-	215	(166)	-	171	220	(12)	208
Total comprehensive income/(expense) for the period	-	-	-	-	215	(166)	-	(2,792)	(2,743)	(789)	(3,532)
Transactions with owners of the Company, recorded directly in equity											
Contributions by and distributions to owners											
Purchase of treasury shares	-	-	(9)	-	-	-	-	-	(9)	-	(9)
Total transactions with owners of the Company	-	-	(9)	-	-	-	-	-	(9)	-	(9)
At 30 September 2023	94,089	17,798	(3,058)	116	(6,296)	2,509	(2,334)	(6,524)	96,300	24,514	120,814

Condensed Interim Statements of Changes in Equity (Cont'd)
For the 6 Months ended 30 September 2024

<u>Group</u>	Share capital	Capital reserve	Reserve for own shares	Reserve on consolidation	Foreign currency translation reserve	Revaluation reserve	Other reserve	Accumulated losses	Total attributable to owners of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2024	94,089	17,798	(3,094)	116	(6,055)	3,260	(2,334)	(23,553)	80,227	25,079	105,306
Total comprehensive (expense)/income for the period											
Profit for the period	-	-	-	-	-	-	-	2,149	2,149	348	2,497
Other comprehensive (expense)/income											
Foreign currency translation differences	-	-	-	-	(832)	(13)	-	-	(845)	(48)	(893)
Transfer of revaluation surplus of property	-	-	-	-	-	(238)	-	238	-	-	-
Total other comprehensive (expense)/income	-	-	-	-	(832)	(251)	-	238	(845)	(48)	(893)
Total comprehensive (expense)/income for the period	-	-	-	-	(832)	(251)	-	2,387	1,304	300	1,604
Transactions with owners of the Company, recorded directly in equity											
Contributions by and distributions to owners											
Purchase of treasury shares	-	-	(58)	-	-	-	-	-	(58)	-	(58)
Total transactions with owners of the Company	-	-	(58)	-	-	-	-	-	(58)	-	(58)
At 30 September 2024	94,089	17,798	(3,152)	116	(6,887)	3,009	(2,334)	(21,166)	81,473	25,379	106,852

Condensed Interim Statements of Changes in Equity (Cont'd)
For the 6 Months ended 30 September 2024

<u>Company</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Reserve for own shares</u>	<u>Accumulated profits</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2023	94,089	17,798	(3,049)	151	108,989
Total comprehensive expense for the period	-	-	-	30	30
Transactions with owners of the Company, recorded directly in equity					
Purchase of treasury shares	-	-	(9)	-	(9)
Total transactions with owners of the Company	-	-	(9)	-	(9)
At 30 September 2023	94,089	17,798	(3,058)	181	109,010
At 1 April 2024	94,089	17,798	(3,094)	317	109,110
Total comprehensive expense for the period	-	-	-	(100)	(100)
Transactions with owners of the Company, recorded directly in equity					
Purchase of treasury shares	-	-	(58)	-	(58)
Total transactions with owners of the Company	-	-	(58)	-	(58)
At 30 September 2024	94,089	17,798	(3,152)	217	108,952

Note:

Capital reserve

	<u>Group</u>	<u>Company</u>
	\$'000	\$'000
Capital Reduction Reserve	17,798	17,798

The Capital Reduction Reserve shall not be treated or used by the Company as a distributable reserve for dividend purposes in accordance with Regulation 142 of the Constitution of the Company and the Companies Act 1967 of Singapore.

Condensed Interim Consolidated Statement of Cash Flows

For the 6 Months ended 30 September 2024

	6 months ended	
	30-Sep-24	30-Sep-23
	\$'000	\$'000
Cash flows from operating activities		
Profit/(Loss) for the period	2,497	(3,740)
Adjustments for:		
Bad debts recovered	-	(63)
Depreciation of:		
- property, plant and equipment	8,880	8,880
- right-of-use assets	2,565	2,453
Gain on disposal of:		
- property, plant and equipment	(747)	(395)
- assets held for sale	(226)	(77)
Impairment losses recognised/(reversed) on:		
- property, plant and equipment	62	60
- trade and other receivables and contract assets	(59)	(41)
Inventories written down	37	84
Loss on termination of lease liabilities	-	3
Net finance expenses	3,555	3,131
Provisions (reversed)/made for:		
- onerous contracts	-	(22)
- rectification costs	2,283	414
Share of profit of associates (net of tax)	(297)	(134)
Tax credit	(42)	(212)
Operating activities before working capital changes	18,508	10,341
Changes in working capital:		
Inventories	4,641	(4,592)
Contract assets	(12,339)	2,040
Trade and other receivables	(4,269)	(5,955)
Contract liabilities	7,233	203
Trade and other payables	(7,811)	6,114
Provision utilised for onerous contracts	(113)	(141)
Provision utilised for rectification costs	(328)	(890)
Cash generated from operations	5,522	7,120
Taxes paid	(238)	(479)
Interest received	64	105
Net cash from operating activities	5,348	6,746

Condensed Interim Consolidated Statement of Cash Flows (Cont'd)
For the 6 months ended 30 September 2024

	6 months ended	
	<u>30-Sep-24</u>	<u>30-Sep-23</u>
	\$'000	\$'000
Cash flows from investing activities		
Acquisition of:		
- property, plant and equipment	(3,964)	(5,238)
- investment property	(26)	(132)
Proceeds from disposal of:		
- property, plant and equipment	1,652	496
- assets held for sale	1,741	-
Loans to associates	(166)	(785)
Net cash used in investing activities	<u>(763)</u>	<u>(5,659)</u>
Cash flows from financing activities		
Interest paid	(3,559)	(3,362)
Proceeds from:		
- bank loans and finance lease loans	5,008	9,198
- bills payable	122,856	97,229
- issuance of commercial papers	18,590	-
Purchase of treasury shares	(58)	(9)
Repayment of:		
- bank loans	(9,094)	(11,701)
- bills payable	(120,596)	(87,809)
- commercial papers	(14,030)	-
- finance lease liabilities	(6,424)	(6,730)
- lease liabilities *	(2,247)	(2,056)
Changes in fixed deposits pledged	-	1,332
Net cash used in financing activities	<u>(9,554)</u>	<u>(3,908)</u>
Net decrease in cash and cash equivalents	(4,969)	(2,821)
Cash and cash equivalents at 1 April	16,051	16,753
Effect of exchange rate changes on balances held in foreign currencies	(139)	47
Cash and cash equivalents at 30 September	<u>10,943</u>	<u>13,979</u>
Comprising:		
Cash and cash equivalents	14,106	14,767
Bank overdrafts	(3,013)	(638)
	<u>11,093</u>	<u>14,129</u>
Less:		
Fixed deposits pledged as security for bank facilities	(150)	(150)
Cash and cash equivalents in the condensed interim consolidated statement of cash flows	<u>10,943</u>	<u>13,979</u>

* Relating to Right-of-use assets.

Notes to the Condensed Interim Financial Statements

1. Corporate information

CSC Holdings Limited (“the Company”) is a company incorporated in the Republic of Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange.

The principal activity of the Company is that of investment holding. The Group is primarily involved in piling works, civil engineering works, trading and leasing of heavy foundation equipment, soil investigation and surveying works.

The condensed interim financial statements as at and for the 6 months ended 30 September 2024 relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in equity-accounted investees.

2. Basis of preparation

The condensed interim financial statements of the Group has been prepared in accordance with the Singapore Financial Reporting Standard (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. They 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 consolidated financial statements as at and for the year ended 31 March 2024.

The condensed interim financial statements, which do not include the full disclosures of the type normally included in full annual financial statements prepared in accordance with the SFRS(I)s, are to be read in conjunction with the last audited financial statements for the year ended 31 March 2024.

Accounting policies and methods of computation used in the condensed interim financial statements are consistent with those applied in the financial statements for the year ended 31 March 2024, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in note 2.2.

The condensed interim financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

2.1 Going concern

The condensed interim financial statements have been prepared on a going concern basis, notwithstanding the Group’s total current liabilities exceeded its total current assets by \$6.1 million as at 30 September 2024 (31 March 2024: \$6.1 million). Management, after assessing the sources of liquidity and funding available to the Group, believes that it will be able to meet its obligations due within the next 12 months. These include committed unutilised credit facilities (which also contains overdraft facilities) of \$31 million as at 30 September 2024 (31 March 2024: \$31 million), projected net operating cash inflows for the next 12 months and available cash reserves as at 30 September 2024 to finance the Group’s working capital and day-to-day operation requirements.

Based on the above factors, management has concluded that the Group has the ability to pay its debts as and when they are due.

Notes to the Condensed Interim Financial Statements (Cont'd)

2. Basis of preparation (cont'd)

2.2 Changes in material accounting policies

New and amended standards adopted by the Group

The Group adopted various new/revised SFRS(I)s, SFRS(I) interpretations and amendments to SFRS(I)s applicable for the financial year beginning on 1 April 2024. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

2.3 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.

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.

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 March 2024.

3. Seasonal operations

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

4. Revenue and segment information

(a) Revenue

	6 months ended	
	30/09/2024	30/09/2023
	\$'000	\$'000
Revenue from contracts with customers	148,181	141,142
Rental income	6,312	5,284
	<u>154,493</u>	<u>146,426</u>

The Group's operations and main revenue streams are those described in the last annual consolidated financial statements for the year ended 31 March 2024.

Notes to the Condensed Interim Financial Statements (Cont'd)

4. Revenue and segment information (cont'd)

(a) Revenue (cont'd)

Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by geographical regions and timing of revenue recognition.

	Foundation and Geotechnical Engineering		Sales of Equipment and Spare Parts		Total Reportable Segments	
	6 months ended		6 months ended		6 months ended	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Geographical regions						
Singapore	112,572	107,836	11,673	3,707	124,245	111,543
Malaysia	19,081	23,792	60	119	19,141	23,911
India	-	-	4,319	4,580	4,319	4,580
Thailand	-	-	208	243	208	243
Philippines	-	-	181	298	181	298
Vietnam	-	-	14	463	14	463
Other regions	-	-	73	104	73	104
	<u>131,653</u>	<u>131,628</u>	<u>16,528</u>	<u>9,514</u>	<u>148,181</u>	<u>141,142</u>
Major revenue streams						
Construction contracts	131,455	131,521	-	-	131,455	131,521
Trading of plant and equipment	198	107	16,528	9,514	16,726	9,621
	<u>131,653</u>	<u>131,628</u>	<u>16,528</u>	<u>9,514</u>	<u>148,181</u>	<u>141,142</u>
Timing of revenue recognition						
Products transferred at a point in time	198	107	16,382	9,324	16,580	9,431
Products and services transferred over time	131,455	131,521	146	190	131,601	131,711
	<u>131,653</u>	<u>131,628</u>	<u>16,528</u>	<u>9,514</u>	<u>148,181</u>	<u>141,142</u>

(b) Segment information

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the strategic business units, the Group's Board of Directors reviews the internal management reports on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Foundation and geotechnical engineering:

Includes civil engineering, piling, foundation and geotechnical engineering, soil investigation, land surveying and other related services

Sales and lease of equipment:

Sales and rental of foundation engineering equipment, machinery and spare parts, and other related services

Notes to the Condensed Interim Financial Statements (Cont'd)

4. Revenue and segment information (cont'd)

(b) Segment information (cont'd)

Other operations include the sale and sublet of land, property development and fabrication, repair and maintenance services for heavy machinery. None of these segments meet any of the quantitative thresholds for determining reportable segments in both financial periods.

The bases of measurement of the reportable segments are in accordance with the Group's accounting policies.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

	Foundation and Geotechnical Engineering		Sales and Lease of Equipment		Total Reportable Segments	
	6 months ended		6 months ended		6 months ended	
	30/09/2024	30/09/2023	30/09/2024	30/09/2023	30/09/2024	30/09/2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from contracts						
with customers	131,653	131,628	16,528	9,514	148,181	141,142
Rental income	16	17	6,296	5,267	6,312	5,284
External revenue	131,669	131,645	22,824	14,781	154,493	146,426
Inter-segment revenue	10,727	12,817	2,681	2,660	13,408	15,477
Reportable segment profit/ (loss) before tax	1,674	(1,937)	522	(2,344)	2,196	(4,281)
Capital expenditure	7,686	5,334	441	87	8,127	5,421
	As at 30/09/2024	As at 31/03/2024	As at 30/09/2024	As at 31/03/2024	As at 30/09/2024	As at 31/03/2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reportable segment assets	206,866	187,900	118,363	122,059	325,229	309,959
Reportable segment liabilities	156,700	138,833	70,425	77,344	227,125	216,177

Notes to the Condensed Interim Financial Statements (Cont'd)

4. Revenue and segment information (cont'd)

(b) Segment information (cont'd)

	6 months ended	
	30/09/2024	30/09/2023
	\$'000	\$'000
Profit or loss before tax		
Total profit/(loss) before tax for reportable segments	2,196	(4,281)
Loss before tax for other segments	(124)	(41)
	<u>2,072</u>	<u>(4,322)</u>
Elimination of inter-segment transactions	5,264	5,168
Unallocated amounts:		
- other corporate expenses	(5,178)	(4,932)
Share of profit of associates (net of tax)	297	134
Consolidated profit/(loss) before tax	<u>2,455</u>	<u>(3,952)</u>
	As at	As at
	30/09/2024	31/03/2024
	\$'000	\$'000
Assets		
Total assets for reportable segments	325,229	309,959
Assets for other segments	18,663	18,684
	<u>343,892</u>	<u>328,643</u>
Investment in associates	7,704	7,373
Deferred tax assets	98	37
Tax recoverable	502	432
Other unallocated amounts*	35,235	35,836
Consolidated total assets	<u>387,431</u>	<u>372,321</u>
Liabilities		
Total liabilities for reportable segments	227,125	216,177
Liabilities for other segments	3,310	3,509
	<u>230,435</u>	<u>219,686</u>
Deferred tax liabilities	1,058	1,109
Current tax payable	168	303
Other unallocated amounts*	48,918	45,917
Consolidated total liabilities	<u>280,579</u>	<u>267,015</u>

* includes the right-of-use asset and lease liability relating to the property located at No 2, Tanjong Penjuru Crescent, amounting to \$33.0 million and \$35.7 million respectively as at 30 September 2024 (31 March 2024: \$34.2 million and \$36.6 million).

Notes to the Condensed Interim Financial Statements (Cont'd)

5. Profit/(Loss) before tax

Profit/(Loss) before tax includes the following items:

	6 months ended	
	30/09/2024	30/09/2023
	\$'000	\$'000
(a) Cost of sales		
Depreciation of:		
- property, plant and equipment	8,038	8,122
- right-of-use assets	1,189	1,014
Government assistances	(3)	(45)
Provisions (reversed)/made for:		
- onerous contracts	-	(22)
- rectification costs	2,283	414
(b) Other income		
Gain on disposal of:		
- property, plant and equipment	(747)	(395)
- assets held for sale	(226)	(77)
Loss on termination of lease liabilities	-	3
(c) Administrative expenses		
Depreciation of:		
- property, plant and equipment	842	758
- right-of-use assets	1,376	1,439
Exchange (gain)/loss	(2,176)	800
Government assistances	(7)	(28)
(d) Other operating expenses		
Bad debts recovered	-	(63)
Impairment losses recognised /(reversed) on:		
- property, plant and equipment	62	60
- trade and other receivables and contract assets ⁽¹⁾	(59)	(41)
Inventories written down	37	84

⁽¹⁾ The Group's accounts receivables position is reviewed on a periodic basis. Impairment losses are made where required, after assessing the probability of recovering the accounts receivables. Amounts written back are cash recovered from receivables previously impaired.

Notes to the Condensed Interim Financial Statements (Cont'd)

8. Property, plant and equipment

The movement in property, plant and equipment is as follows:

	Group	
	As at 30/09/2024	As at 31/03/2024
	\$'000	\$'000
<u>Cost/Valuation</u>		
Opening balance	386,538	392,117
Additions	8,127	8,969
Reclassification from inventories	734	5,949
Reclassification to assets held for sale	-	(10,402)
Revaluation	-	1,270
Elimination of accumulated depreciation against cost on revaluation	-	(1,579)
Transfer to inventories	(800)	(2,094)
Disposals/Write-offs	(10,708)	(4,826)
Translation differences on consolidation	3,869	(2,866)
Closing balance	387,760	386,538
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	271,212	267,394
Depreciation charge	8,880	18,003
Impairment loss	62	-
Reclassification to assets held for sale	-	(5,725)
Elimination of accumulated depreciation against cost on revaluation	-	(1,579)
Transfer to inventories	(626)	(829)
Disposals/Write-offs	(10,024)	(4,036)
Translation differences on consolidation	3,050	(2,016)
Closing balance	272,554	271,212
Carrying amount	115,206	115,326

During the 6 months ended 30 September 2024, the Group acquired assets amounting to \$8,127,000 (31 March 2024: \$8,969,000) and disposed of assets amounting to \$684,000 (31 March 2024: \$790,000).

9. Right-of-use assets and Lease liabilities

The right-of-use asset and lease liability relating to the Group's headquarters located at No 2, Tanjong Penjuru Crescent amounting to \$33,007,000 and \$35,744,000 respectively as at 30 September 2024 (31 March 2024: \$34,207,000 and \$36,623,000).

10. Investment property

As at 30 September 2024, the residential properties still remain under construction and hence, the fair values cannot be measured reliably.

Notes to the Condensed Interim Financial Statements (Cont'd)

11. Inventories

	Group	
	As at 30/09/2024 \$'000	As at 31/03/2024 \$'000
Equipment and machinery held for sale	8,352	6,409
Spare parts	10,758	10,642
Construction materials on sites	3,927	3,257
	<u>23,037</u>	<u>20,308</u>
Allowance for inventory obsolescence	(89)	(89)
	<u>22,948</u>	<u>20,219</u>

12. Share capital

	Group and Company			
	As at 30/09/2024		As at 31/03/2024	
	Number of shares	\$'000	Number of shares	\$'000
Issued and fully-paid ordinary shares with no par value:				
At 1 April and 30 September/31 March	<u>3,588,348,176</u>	<u>94,089</u>	<u>3,588,348,176</u>	<u>94,089</u>

As at 30 September 2024 and 30 September 2023, there were no outstanding convertibles.

During the 6 months ended 30 September 2024, the Company completed the buy-back of 7,750,000 ordinary shares (30 September 2023: 1,000,000 shares). There were 84,682,000 shares held as treasury shares as at 30 September 2024 (30 September 2023: 72,082,000 shares), representing 2.4% (30 September 2023: 2.0%) of the total number of ordinary shares issued (excluding treasury shares). There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30 September 2024.

The total number of ordinary shares issued (excluding treasury shares) as at 30 September 2024 was 3,503,666,176 (31 March 2024: 3,511,416,176) ordinary shares.

The Company's subsidiaries do not hold any shares in the Company as at 30 September 2024 and 31 March 2024.

Notes to the Condensed Interim Financial Statements (Cont'd)

13. Loans and borrowings

	Group	
	As at 30/09/2024 \$'000	As at 31/03/2024 \$'000
<u>Amount repayable in one year or less, or on demand</u>		
Secured	9,844	12,844
Unsecured	<u>73,527</u>	<u>69,407</u>
	<u>83,371</u>	<u>82,251</u>
 <u>Amount repayable after one year</u>		
Secured	10,674	12,927
Unsecured	<u>548</u>	<u>1,570</u>
	<u>11,222</u>	<u>14,497</u>
	<u>94,593</u>	<u>96,748</u>

Details of any collateral

The Group's loans and borrowings were \$94,593,000 (31 March 2024: \$96,748,000) and consist of overdrafts, bills payable, commercial papers, finance leases and bank loans. Included in the amounts repayable within one year were bills payable amounting to \$41,877,000 (31 March 2024: \$39,342,000).

The loans and borrowings are secured by legal mortgages over the Group's assets listed below and guaranteed by the Company, out of which \$7,650,000 (31 March 2024: \$7,650,000) are also guaranteed by a related corporation:

- a) \$14,465,000 (31 March 2024: \$20,306,000) in respect of plant and machinery acquired under hire purchase arrangements; and
- b) \$6,053,000 (31 March 2024: \$5,465,000) which are secured by a charge over the leasehold land and properties.

14. Dividends

No interim dividends were paid by the Company in respect of the 6 months ended 30 September 2024 and 2023.

15. Net asset value

	Group		Company	
	As at 30/09/2024 Cents	As at 31/03/2024 Cents	As at 30/09/2024 Cents	As at 31/03/2024 Cents
Net asset value per ordinary shares	<u>3.0</u>	<u>3.0</u>	<u>3.1</u>	<u>3.1</u>

The net asset value per ordinary share is calculated based on net asset value of the Group of \$106,852,000 (31 March 2024: \$105,306,000) and the Company of \$108,952,000 (31 March 2024: \$109,110,000) over the total number of ordinary shares issued (excluding treasury shares) as at 30 September 2024 of 3,503,666,176 (31 March 2024: 3,511,416,176) ordinary shares.

Notes to the Condensed Interim Financial Statements (Cont'd)

16. Commitments

As at reporting date, the Group had the following commitments:

Capital expenditure contracted for but not recognised in the financial statements is as follows:

	As at 30/09/2024 \$'000	As at 31/03/2024 \$'000
Capital commitment in respect of:		
- acquisition of property, plant and equipment	3,180	1,694

17. Related parties

Transactions with key management personnel

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors and senior management are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	6 months ended	
	30/09/2024 \$'000	30/09/2023 \$'000
Short-term employee benefits	2,933	2,885
Post-employment benefits (including contributions to defined contribution plans)	157	125
	<u>3,090</u>	<u>3,010</u>

The aggregate value of transactions related to key management personnel over which they have control or significant influence are as follows:

	6 months ended	
	30/09/2024 \$'000	30/09/2023 \$'000
Professional fees	-	11
Interests paid/payable on commercial papers	17	-
	<u>17</u>	<u>11</u>

Notes to the Condensed Interim Financial Statements (Cont'd)

17. Related parties (cont'd)

Other related party transactions

Other than as disclosed elsewhere in the financial statements, the transactions with related parties are as follows:

	6 months ended	
	30/09/2024	30/09/2023
	\$'000	\$'000
Companies in which a director and a substantial shareholder of the Group have substantial financial interests		
Revenue from foundation engineering works	809	–
Revenue from rental and service income	94	138
Expenses for foundation engineering works	(44)	–
Expenses related to short-term leases	(205)	(234)
Expenses related to transport, handling and service charges	(99)	(68)
Interests paid/payable on commercial papers	(104)	–
Upkeep of machinery and equipment expenses	(35)	(13)
Relatives of a director		
Interests paid/payable on commercial papers	(16)	–

18. Fair value of financial instruments

The accounting policies involving the most significant judgements and estimates used in the preparation of the condensed interim financial statements are consistent with those found in the last audited financial statements for the year ended 31 March 2024.

Fair value hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Condensed Interim Financial Statements (Cont'd)

18. Fair value of financial instruments (cont'd)

Fair values versus carrying amounts

The carrying amounts and fair values of the financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Group	Carrying amount			Fair value			
	Amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 September 2024							
Financial assets not measured at fair value							
Trade and other receivables [#]	106,759	–	106,759	–	106,759	–	106,759
Cash and cash equivalents	14,106	–	14,106				
	<u>120,865</u>	<u>–</u>	<u>120,865</u>				
Financial liabilities not measured at fair value							
Bank overdrafts	–	(3,013)	(3,013)				
Bills payable	–	(41,877)	(41,877)				
Commercial papers	–	(10,410)	(10,410)	–	(10,410)	–	(10,410)
Secured bank loans	–	(6,053)	(6,053)	–	(6,053)	–	(6,053)
Unsecured bank loans	–	(18,775)	(18,775)	–	(18,872)	–	(18,872)
Trade and other payables [*]	–	(128,080)	(128,080)	–	(128,080)	–	(128,080)
	<u>–</u>	<u>(208,208)</u>	<u>(208,208)</u>				
31 March 2024							
Financial assets not measured at fair value							
Trade and other receivables [#]	101,679	–	101,679	–	101,679	–	101,679
Cash and cash equivalents	18,808	–	18,808				
	<u>120,487</u>	<u>–</u>	<u>120,487</u>				
Financial liabilities not measured at fair value							
Bank overdrafts	–	(2,607)	(2,607)				
Bills payable	–	(39,342)	(39,342)				
Commercial papers	–	(5,850)	(5,850)	–	(5,850)	–	(5,850)
Secured bank loans	–	(5,465)	(5,465)	–	(5,509)	–	(5,509)
Unsecured bank loans	–	(23,178)	(23,178)	–	(23,376)	–	(23,376)
Trade and other payables [*]	–	(120,645)	(120,645)	–	(120,645)	–	(120,645)
	<u>–</u>	<u>(197,087)</u>	<u>(197,087)</u>				

[#] Excludes prepayments

^{*} Excludes deposits received

Notes to the Condensed Interim Financial Statements (Cont'd)

18. Fair value of financial instruments (cont'd)

Fair values versus carrying amounts (cont'd)

	Carrying amount			Fair value			
	Amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Company							
30 September 2024							
Financial assets not measured at fair value							
Trade and other receivables [#]	35,242	–	35,242	–	35,242	–	35,242
Cash and cash equivalents	1,254	–	1,254				
	<u>36,496</u>	<u>–</u>	<u>36,496</u>				
Financial liabilities not measured at fair value							
Commercial papers	–	(12,010)	(12,010)	–	(12,010)	–	(12,010)
Unsecured bank loan	–	(517)	(517)	–	(517)	–	(517)
Trade and other payables*	–	(13,833)	(13,833)				
	<u>–</u>	<u>(26,360)</u>	<u>(26,360)</u>				
31 March 2024							
Financial assets not measured at fair value							
Trade and other receivables [#]	31,927	–	31,927	–	31,927	–	31,927
Cash and cash equivalents	720	–	720				
	<u>32,647</u>	<u>–</u>	<u>32,647</u>				
Financial liabilities not measured at fair value							
Commercial papers	–	(6,620)	(6,620)	–	(6,620)	–	(6,620)
Unsecured bank loan	–	(900)	(900)	–	(957)	–	(957)
Trade and other payables*	–	(14,977)	(14,977)				
	<u>–</u>	<u>(22,497)</u>	<u>(22,497)</u>				

[#] Excludes prepayments

* Excludes deposits received

Measurement of fair values

The following methods and assumptions are used to estimate fair values of the following significant classes of financial instruments:

Non-current trade and other receivables, trade and other payables, fixed interest rate bank loans and commercial papers

The fair values have been determined by discounting the expected payments with current interest rates for similar instruments at the reporting date.

Floating interest rate bank loans

The carrying amounts of floating interest bearing loans, which are repriced within 1 to 6 months from the reporting date, reflect the corresponding fair values.

Notes to the Condensed Interim Financial Statements (Cont'd)

18. Fair value of financial instruments (cont'd)

Measurement of fair values (cont'd)

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year (including current trade and other receivables, cash and cash equivalents, current trade and other payables and short term borrowings) are assumed to approximate their fair values because of the short period to maturity.

Transfers between Levels 1, 2 and 3

There were no transfers of financial instruments between Levels 1, 2 and 3.

19. Subsequent Event

On 30 August 2024, THL Foundation Equipment Pte. Ltd. ("THLFE"), a 55%-owned subsidiary of the Group, entered into a Joint Venture Agreement with X-Max Pte. Ltd. ("X-Max") in relation to THL Max Foundation International Pte. Ltd. ("THLMFI") (formerly known as THL Foundation International Pte. Ltd.), a newly incorporated company in Singapore, which will act as the vehicle for the joint venture.

On 22 October 2024, THLFE and X-Max subscribed for 154,000 ordinary shares (55%) and 126,000 ordinary shares (45%) of \$1 each in THLMFI respectively. The Group holds effective interests of 30.25% in THLMFI.

Other information required by Listing Rule Appendix 7.2

1. Review of the Performance of the Group

A. Consolidated Statement of Profit or Loss

1HFY25 – for the 6 months ended 30 September 2024

2HFY24 – for the 6 months ended 31 March 2024

1HFY24 – for the 6 months ended 30 September 2023

Review of Results for the 6 Months Ended 30 September 2024

	1HFY25 \$'000	2HFY24 \$'000	Change %	1HFY25 \$'000	1HFY24 \$'000	Change %
	A	B	A - B	C	D	C - D
Revenue	154,493	158,912	-2.8%	154,493	146,426	5.5%
Variable Project Costs	(100,869)	(122,733)	-17.8%	(100,869)	(99,925)	0.9%
Project Contribution	53,624	36,179	48.2%	53,624	46,501	15.3%
<i>Project Contribution Margins</i>	34.7%	22.8%		34.7%	31.8%	
Project Overheads	(36,067)	(34,693)	4.0%	(36,067)	(33,542)	7.5%
Gross Profit	17,557	1,486	>100.0%	17,557	12,959	35.5%
<i>Gross Profit Margins</i>	11.4%	0.9%		11.4%	8.9%	
Other Income	1,218	1,504	-19.0%	1,218	675	80.4%
Operating Expenses	(13,062)	(15,052)	-13.2%	(13,062)	(14,589)	-10.5%
Profit/(Loss) from Operating Activities	5,713	(12,062)	N.M.	5,713	(955)	N.M.
Net Finance Expenses	(3,555)	(3,437)	3.4%	(3,555)	(3,131)	13.5%
Share of Profit/(Loss) of Associates	297	(926)	N.M.	297	134	>100.0%
Profit/(Loss) before Tax	2,455	(16,425)	N.M.	2,455	(3,952)	N.M.
Tax Credit/(Expense)	42	(376)	N.M.	42	212	-80.2%
Profit/(Loss) for the period	2,497	(16,801)	N.M.	2,497	(3,740)	N.M.
EBITDA	17,455	(1,310)	N.M.	17,455	10,512	66.0%

Revenue

The Group recorded a 5.5% improvement in revenue to \$154.5 million in 1HFY25, compared to \$146.4 million in 1HFY24, on the back of a higher level of construction activity in Singapore driving increased demand for construction services, as well as higher sales generated by the Group's equipment trading division.

Compared to 2HFY24, revenue for 1HFY25 was 2.8% lower, taking into account the lower sales generated by the Group's equipment trading division.

Other information required by Listing Rule Appendix 7.2 (Cont'd)

1. Review of the Performance of the Group (Cont'd)

A. Consolidated Statement of Profit or Loss (Cont'd)

Gross Profit

Driven by an increase in construction activity with continual tight cost control, the Group's gross profit and gross profit margin had improved to \$17.6 million and 11.4% respectively in 1HFY25 (1HFY24: \$13.0 million and 8.9%; 2HFY24: \$1.5 million and 0.9%). The Group had also undertaken certain lower margin projects in 2HFY24 amid challenging market conditions and depressed construction activity.

Other Income

	1HFY25 \$'000	2HFY24 \$'000	Change %	1HFY25 \$'000	1HFY24 \$'000	Change %
	A	B	A - B	C	D	C - D
Gain on Disposal of:						
- Property, Plant & Equipment	747	534	39.9%	747	395	89.1%
- Assets Held for Sale	226	496	-54.4%	226	77	>100.0%
- Other Investments	-	48	-100.0%	-	-	N.M.
	973	1,078	-9.7%	973	472	>100.0%
Sale of Scrap Steel	135	187	-27.8%	135	22	>100.0%
Other Miscellaneous Income	110	239	-54.0%	110	181	-39.2%
Other Income	1,218	1,504	-19.0%	1,218	675	80.4%

The Group recorded higher other income of \$1.2 million for 1HFY25 (1HFY24: \$0.7 million), mainly due to a higher gain from the disposal of old equipment and higher proceeds from the sale of scrap steel in 1HFY25.

Other income for 1HFY25 was lower than the \$1.5 million in 2HFY24, taking into account a smaller gain from the disposal of old equipment in 1HFY25.

Other information required by Listing Rule Appendix 7.2 (Cont'd)

1. Review of the Performance of the Group (Cont'd)

A. Consolidated Statement of Profit or Loss (Cont'd)

Operating Expenses

	1HFY25 \$'000	2HFY24 \$'000	Change %	1HFY25 \$'000	1HFY24 \$'000	Change %
	A	B	A - B	C	D	C - D
Other Operating Expenses	12,572	12,300	2.2%	12,572	11,166	12.6%
a) Distribution Expenses	408	466	-12.4%	408	323	26.3%
b) Depreciation of:						
- Property, Plant and Equipment	842	768	9.6%	842	758	11.1%
- Right-of-use Assets	1,376	1,395	-1.4%	1,376	1,439	-4.4%
c) Impairment Losses Reversed on Trade and Other Receivables and Contract Assets	(59)	(930)	-93.7%	(59)	(41)	43.9%
d) Impairment Losses/Write-Down of Other Assets	99	144	-31.3%	99	144	-31.3%
e) Exchange (Gain)/Loss	(2,176)	909	N.M.	(2,176)	800	N.M.
Operating Expenses *	13,062	15,052	-13.2%	13,062	14,589	-10.5%
Other Operating Expenses /Revenue	8.1%	7.7%		8.1%	7.6%	

* Comprises of Distribution Expenses, Administrative Expenses and Other Operating Expenses.

Other operating expenses for 1HFY25 increased by 12.6% to \$12.6 million (1HFY24: \$11.2 million), in line with the increased business activity, as well as higher staff costs in view of annual salary increments to align with inflation. In 2HFY24, the Group had recovered \$1.3 million in certain long outstanding bad debts, which had been fully impaired previously.

In 1HFY25, the Group also recorded a depreciation of \$1.2 million for right-of-use assets in relation to its headquarters located at No 2, Tanjong Penjuru Crescent ("2TPC") (1HFY24: \$1.2 million; 2HFY24: \$1.2 million).

The Group recorded a foreign exchange gain of \$2.2 million for 1HFY25 (1HFY24: exchange loss of \$0.8 million; 2HFY24: exchange loss of \$0.9 million), due to the strengthening of the Malaysia Ringgit ("MYR") and Thailand Baht ("THB") against its functional currency, the Singapore Dollar ("SGD"). Since March 2024, MYR and THB had appreciated against SGD by approximately 6% and 3% respectively.

Other information required by Listing Rule Appendix 7.2 (Cont'd)

1. Review of the Performance of the Group (Cont'd)

A. Consolidated Statement of Profit or Loss (Cont'd)

Net Finance Expenses

	1HFY25 \$'000	2HFY24 \$'000	Change %	1HFY25 \$'000	1HFY24 \$'000	Change %
	A	B	A - B	C	D	C - D
Interest Income	64	42	52.4%	64	105	-39.0%
Interest Expenses	(2,976)	(2,938)	1.3%	(2,976)	(2,681)	11.0%
Net Interest Expenses	(2,912)	(2,896)	0.6%	(2,912)	(2,576)	13.0%
Imputed Interest on:						
- Non-Current Assets	63	244	-74.2%	63	265	-76.2%
- Non-Current Liabilities	(68)	(124)	-45.2%	(68)	(147)	-53.7%
Interest Expenses on Lease Liabilities	(638)	(661)	-3.5%	(638)	(673)	-5.2%
Net Finance Expenses	(3,555)	(3,437)	3.4%	(3,555)	(3,131)	13.5%

Net interest expenses were higher at \$2.9 million for 1HFY25 (1HFY24: \$2.6 million), mainly due to higher utilisation of floating interest rate trade facilities in 1HFY25, in line with the higher construction activities in Singapore.

Net interest expenses for 1HFY25 were relatively unchanged compared to the \$2.9 million in 2HFY24.

With respect to the lease liability relating to 2TPC, the Group recognised an interest expense of \$0.5 million for 1HFY25 (1HFY24: \$0.6 million; 2HFY24: \$0.5 million).

Share of Profit/(Loss) of Associates

The Group recorded a share of revaluation loss of \$0.2 million in 1HFY25 (1HFY24: \$Nil; 2HFY24: \$1.1 million), following the revaluation of an associate company's investment property by an independent professional valuer.

Profit/(Loss) for the period

Taking into account the above, the Group recorded net profit before tax of \$2.5 million in 1HFY25, a turnaround from a loss before tax of \$4.0 million in 1HFY24 and that of \$16.4 million in 2HFY24.

The Group's earnings before interest, tax, depreciation and amortization (EBITDA) improved to \$17.5 million in 1HFY25 (1HFY24: \$10.5 million; 2HFY24: negative EBITDA of \$1.3 million).

Earnings per share was 0.06 cent for 1HFY25 (1HFY24: loss per share of 0.08 cent; 2HFY24: loss per share of 0.49 cent).

Other information required by Listing Rule Appendix 7.2 (Cont'd)

1. Review of the Performance of the Group (Cont'd)

B. Statement of Financial Position

Non-Current Assets

Property, Plant and Equipment

Net book value of property, plant and equipment as at 30 September 2024 was \$115.2 million (31 March 2024: \$115.3 million).

In 1HFY25, the Group acquired new property, plant and equipment amounting to \$8.1 million. In addition, following a reassessment in the economic uses of certain inventories, plant and machinery, the Group recapitalised \$0.7 million in inventories as property, plant and equipment. The Group also recapitalised \$0.2 million in property, plant and equipment as inventories in 1HFY25.

The Group disposed of plant and equipment with carrying values of \$0.7 million and recorded a \$0.7 million gain on the disposal. Depreciation charge for 1HFY25 was \$8.9 million (1HFY24: \$8.9 million).

Right-of-use Assets

Right-of-use asset and lease liability relating to 2TPC amounted to \$33.0 million (31 March 2024: \$34.2 million) and \$35.7 million respectively as at 30 September 2024 (31 March 2024: \$36.6 million).

Net Current Liabilities

As at 30 September 2024, net current liabilities stood at \$6.1 million (31 March 2024: \$6.1 million). Current ratio (current assets / current liabilities) was 0.97 (31 March 2024: 0.97).

Net current liabilities as at 30 September 2024 factored in:

- (a) More revolving trade facilities utilised to finance the higher level of construction activity; and
- (b) Slower collections from certain customers which the Group is monitoring closely.

Notwithstanding the Group's net current liability position as at 30 September 2024, the Group has assessed the sources of liquidity and funding available to the Group, believes that the Group will be able to meet its obligations due within the next 12 months. These include committed unutilised credit facilities (which also contains overdraft facilities) of \$31 million as at 30 September 2024 (31 March 2024: \$31 million), the projected net operating cash inflows for the next 12 months and available cash reserves as at 30 September 2024 to finance the Group's working capital and day-to-day operation requirements.

The Group held higher inventories of \$22.9 million as at 30 September 2024 (31 March 2024: \$20.2 million), to support the anticipated increase in equipment sales and leasing activities.

Other information required by Listing Rule Appendix 7.2 (Cont'd)

1. Review of the Performance of the Group (Cont'd)

B. Statement of Financial Position (Cont'd)

Net Current Liabilities (Cont'd)

Trade and other receivables and contract assets increased by \$19.9 million to \$176.2 million (31 March 2024: \$156.3 million), while trade and other payables and contract liabilities increased by \$14.5 million to \$127.7 million (31 March 2024: \$113.1 million), in view of the increase in construction activity in Singapore in 1HFY25.

As at 30 September 2024, assets held for sale was \$4.2 million (31 March 2024: \$4.7).

Loans and Borrowings

The Group's loans and borrowings stood at \$94.6 million as at 30 September 2024 (31 March 2024: \$96.7 million). Of these, \$58.7 million or 62%, are floating interest rate loans (31 March 2024: \$58.9 million, 61%). The Group drew down more trade facilities to finance its business operations in 1HFY25, amid increased construction activity in Singapore and slower collections from certain customers. Nevertheless, the Group's loans and borrowings declined to \$94.6 million as at 30 September 2024 (31 March 2024: \$96.7 million) following the net repayment of bank borrowings in 1HFY25.

In 1HFY25, the Group issued \$18.6 million worth of unsecured commercial papers under a \$20.0 million multi-series unsecured commercial paper facility programme ("SDAX CP Facility Programme"). Commercial papers amounted to \$14.0 million matured and were fully redeemed by external parties in 1HFY25. As at 30 September 2024, the Group's commercial papers amounted to \$10.4 million (31 March 2024: \$5.9 million), with interest payable of 5.7% per annum on maturity on 19 December 2024.

The debt-to-equity ratio was 0.89 as at 30 September 2024 (31 March 2024: 0.92).

Equity and Net Asset Value

In 1HFY25, the Group bought back 7.8 million ordinary shares for a purchase consideration of \$0.06 million. Following this, 84.7 million shares with carrying values of \$3.2 million were held as treasury shares as at 30 September 2024 (31 March 2024: 76.9 million shares with \$3.1 million).

As at 30 September 2024, the Group's equity stood at \$106.9 million (31 March 2024: \$105.3 million), while net asset value per ordinary share was 3.0 cents (31 March 2024: 3.0 cents).

Other information required by Listing Rule Appendix 7.2 (Cont'd)

1. Review of the Performance of the Group (Cont'd)

C. Cash Flow

	1HFY25 \$'000	2HFY24 \$'000	Change %	1HFY25 \$'000	1HFY24 \$'000	Change %
	A	B	A - B	C	D	C - D
Cash Flow from Operating Activities	5,348	10,696	-50.0%	5,348	6,746	-20.7%
Cash Flow from Investing Activities	(763)	(1,613)	-52.7%	(763)	(5,659)	-86.5%
Cash Flow from Financing Activities	(9,554)	(6,990)	36.7%	(9,554)	(3,908)	>100.0%
Cash and Cash Equivalents	10,943	16,051	-31.8%	10,943	13,979	-21.7%

Cash Flow from Operating Activities

Net cash inflow from operating activities amounted to \$5.3 million for 1HFY25 compared to \$6.7 million in 1HFY24 and \$10.7 million in 2HFY24, as a result of timing differences between billings and receipt of payments from customers. The Group is also cautious of slower collections from certain customers and continues to monitor these payments closely.

Cash Flow from Investing Activities

Net cash outflow from investing activities was lower at \$0.8 million for 1HFY25 (1HFY24: \$5.7 million; 2HFY24: \$1.6 million), mainly due to lower capital expenditure incurred as part of the Group's fleet renewal exercise in 1HFY25. In addition, the Group invested \$0.2 million in property development projects in Malaysia in 1HFY25 (1HFY24: \$0.8 million; 2HFY24: \$0.4 million).

Cash Flow from Financing Activities

Net cash outflow from financing activities for 1HFY25 was \$9.6 million (1HFY24: \$3.9 million; 2HFY24: \$7.0 million), taking into account the higher net repayment of bank borrowings. In the same period, the Group had raised additional funds of \$4.6 million from the issuance of commercial papers under the SDAX CP Facility Programme.

Cash and Cash Equivalents

Taking into consideration the above, the Group's cash and cash equivalents stood at \$10.9 million as at 30 September 2024 (30 September 2023: \$14.0 million; 31 March 2024: \$16.1 million).

Other information required by Listing Rule Appendix 7.2 (Cont'd)

2. Outlook

Demand for construction services is expected to be fuelled by sustained government investments in infrastructure and housing projects, as well as rising momentum in the private sector. Mega projects in the pipeline, including the upcoming Changi Airport Terminal 5 development and new expansion developments at Singapore's two integrated resorts, will drive activity. Steady foreign direct investment into Singapore in growth areas such as advanced manufacturing for the semiconductor and pharmaceutical industries is also expected to support industrial infrastructure demand.

Despite ongoing challenges, including regulations limiting foreign manpower that will intensify competition for skilled labour, as well as potentially rising raw material costs, the Group is well-prepared to capture opportunities from the stronger construction demand. Leveraging its robust track record and solid capabilities, the Group continues to tender actively for projects while maintaining disciplined cost management and optimised resource deployment to boost productivity and margins.

As at 31 October 2024, the Group's order book stood at \$310 million (30 April 2024: \$250 million), with the bulk of projects to be delivered in the next 12 months.

Other information required by Listing Rule Appendix 7.2 (Cont'd)

3. Interested person transactions

The Company had not obtained a shareholders' mandate for the interested person transactions under Chapter 9 of the Listing Manual.

Interested person transactions carried out during the 6 months ended 30 September 2024 under Chapter 9 of the Listing Manual are as follows:

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than \$100,000) ⁽¹⁾
	6 months ended 30/09/2024
	\$'000
CMC Construction Pte Ltd ⁽²⁾	809
Tat Hong Plant Leasing Pte Ltd ⁽²⁾	171

Note:

⁽¹⁾ Excludes the transactions where the aggregate value of each category of transactions entered into with the same interested person was less than \$100,000. These transactions are not required in the interested person transactions disclosure under Chapter 9 of the Listing Manual.

⁽²⁾ CMC Construction Pte Ltd ("CMC") and Tat Hong Plant Leasing Pte Ltd ("THPL") are related corporations of TH Investments Pte Ltd ("THI"), a substantial shareholder of the Company. CMC and THPL are associates of controlling shareholders of the Company, namely THI, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd, Mr Ng Sun Ho Tony, Mr Ng San Wee David, Mr Ng Sun Giam Roger and Mr Ng San Tiong Roland (who is also Non-Executive Director of the Company).

4. Audit / Review

The Group's figures have been reviewed by the Company's auditors in accordance with Singapore Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". The auditors' review report is issued in relation to the Group's Condensed Interim Financial Statements which is attached herewith. There are no qualifications or emphasis of matters in the auditors' review report.

5. Variance from Prospect Statement

The Group's unaudited condensed interim financial statements for the 6 months ended 30 September 2024 are in line with the commentary disclosed in the profit guidance announcement dated 30 October 2024.

6. Dividend

No dividend has been declared/recommended for 1HFY25 and the corresponding period of the immediately preceding financial year, so as to preserve the Group's cash position.

Other information required by Listing Rule Appendix 7.2 (Cont'd)

7. Confirmation

The directors of the Company confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the financial results for the period under review to be false or misleading in any material respect pursuant to Rule 705(5) of the SGX-ST Listing Manual.

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.

By Order of the Board

**See Yen Tarn
Executive Director and Group Chief Executive Officer
11 November 2024**