

**LEY CHOON GROUP HOLDINGS LIMITED
(Company Registration No. 198700318G)**

**ANNOUNCEMENT OF CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST HALF YEAR ENDED 30 SEPTEMBER 2024**

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The contact person for the Sponsor is Mr. Khong Choun Mun at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: sponsor@rhtgoc.com.

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	The Group		Change %
		6 Months ended		
		30-Sep 2024 S\$'000	30-Sep 2023 S\$'000	
Revenue	4	64,412	62,818	2.5%
Cost of sales		(51,132)	(52,555)	-2.7%
Gross profit		13,280	10,263	29.4%
Other income		1,475	1,656	-10.9%
Selling and distribution expenses		(76)	(60)	26.7%
Administrative expenses		(6,005)	(5,367)	11.9%
Impairment losses on trade receivables		(115)	(93)	23.7%
Other operating expenses		(108)	(38)	184.2%
Finance costs		(189)	(732)	-74.2%
Profit before taxation	6	8,262	5,629	46.8%
Taxation	7	(940)	(240)	291.7%
Profit for the period		7,322	5,389	35.9%
Other comprehensive income after tax:				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences on consolidation		63	84	-25.0%
Other comprehensive income for the period, net of tax of nil		63	84	-25.0%
Total comprehensive income for the year		7,385	5,473	34.9%
Profit/(Loss) attributable to:				
Owners of the company		7,323	5,389	35.9%
Non-controlling interest		(1)	—	n/m
Profit for the period		7,322	5,389	35.9%
Total comprehensive income/(loss) attributable to:				
Owners of the company		7,386	5,473	35.0%
Non-controlling interest		(1)	—	n/m
Total comprehensive income for the period		7,385	5,473	34.9%
Earnings per share attributed to owners of the Company (Singapore cent)				
Basic and diluted		0.486	0.358	

B. Condensed interim statements of financial position

	Group		Company	
	As at 30-Sep-24 S\$'000	As at 31-Mar-24 S\$'000	As at 30-Sep-24 S\$'000	As at 31-Mar-24 S\$'000
ASSETS				
Non-Current Assets				
Property, plant and equipment	13,326	15,095	—	—
Right-of-use assets	7,686	7,896	—	—
Subsidiaries	—	—	160,100	160,100
Deferred tax assets	203	229	—	—
Club membership	229	229	—	—
	<u>21,444</u>	<u>23,449</u>	<u>160,100</u>	<u>160,100</u>
Current Assets				
Inventories	7,148	6,409	—	—
Contract assets	39,300	28,477	—	—
Trade and other receivables	10,988	17,342	759	6,339
Prepayments	4,330	4,683	12	27
Other investments	18	21	—	—
Cash and bank balances	3,513	9,371	1,032	6
Fixed deposits	1,000	—	—	—
	<u>66,297</u>	<u>66,303</u>	<u>1,803</u>	<u>6,372</u>
Total assets	<u>87,741</u>	<u>89,752</u>	<u>161,903</u>	<u>166,472</u>
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	97,889	97,889	164,108	164,108
Accumulated losses	(32,915)	(36,172)	(31,185)	(26,760)
Other reserves	(1,422)	(1,485)	28,774	28,774
Equity attributable to equity holders of the Company	<u>63,552</u>	<u>60,232</u>	<u>161,697</u>	<u>166,122</u>
Non-controlling interest	1	2	—	—
Total equity	<u>63,553</u>	<u>60,234</u>	<u>161,697</u>	<u>166,122</u>
Non-Current Liabilities				
Deferred tax liabilities	185	48	—	—
Lease liabilities	3,238	3,178	—	—
	<u>3,423</u>	<u>3,226</u>	<u>—</u>	<u>—</u>
Current Liabilities				
Lease liabilities	2,223	2,521	—	—
Trade and other payables	17,702	23,347	206	350
Provisions	14	267	—	—
Current tax payable	826	157	—	—
	<u>20,765</u>	<u>26,292</u>	<u>206</u>	<u>350</u>
Total liabilities	<u>24,188</u>	<u>29,518</u>	<u>206</u>	<u>350</u>
Total equity and liabilities	<u>87,741</u>	<u>89,752</u>	<u>161,903</u>	<u>166,472</u>

C. Condensed interim statements of changes in equity

Group	Share capital	Accumulated losses	Foreign currency translation reserve	Other reserve	Equity attributable to owners of the company	Non-controlling Interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 April 2023	97,889	(47,084)	(1,553)	(33)	49,219	—	49,219
Profit for the period	—	5,389	—	—	5,389	—	5,389
Other comprehensive income for the period							
- Foreign currency translation differences	—	—	84	—	84	—	84
Other comprehensive income for the period, net of tax of nil	—	—	84	—	84	—	84
Total comprehensive income for the period	—	5,389	84	—	5,473	—	5,473
Balance at 30 September 2023	97,889	(41,695)	(1,469)	(33)	54,692	—	54,692
Balance at 1 April 2024	97,889	(36,172)	(1,440)	(45)	60,232	2	60,234
Profit/(loss) for the period	—	7,323	—	—	7,323	(1)	7,322
Other comprehensive income for the period							
- Foreign currency translation differences	—	—	63	—	63	—	63
Other comprehensive income for the period, net of tax of nil	—	—	63	—	63	—	63
Total comprehensive income/(loss) for the period	—	7,323	63	—	7,386	(1)	7,385
Contributions by and contributions to owners							
- Dividends paid	—	(4,066)	—	—	(4,066)	—	(4,066)
Total contributions by and contributions to owners	—	(4,066)	—	—	(4,066)	—	(4,066)
Balance at 30 September 2024	97,889	(32,915)	(1,377)	(45)	63,552	1	63,553

C. Condensed interim statements of changes in equity (cont'd)

<u>Company</u>	Share capital S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance at 1 April 2023	164,108	28,774	(30,915)	161,967
Loss for the year, representing total comprehensive loss for the period	—	—	(431)	(431)
Balance at 30 September 2023	164,108	28,774	(31,346)	161,536
Balance at 1 April 2024	164,108	28,774	(26,760)	166,122
Loss for the year, representing total comprehensive loss for the period	—	—	(359)	(359)
Contributions by and contributions to owners				
- Dividends paid	—	—	(4,066)	(4,066)
Total contributions by and contributions to owners	—	—	(4,066)	(4,066)
Balance at 30 September 2024	164,108	28,774	(31,185)	161,697

D. Condensed interim consolidated statement of cash flows

	Note	The Group	
		6 Months Period ended	
		30-Sep-24	30-Sep-23
		S\$'000	S\$'000
Cash Flows from Operating Activities:			
Profit before taxation		8,262	5,629
Adjustments for:			
Depreciation of property, plant and equipment		2,803	3,182
Depreciation of right-of-use assets		960	1,364
Fair value loss on other investments		3	—
Gain on derecognition of leases		—	(1)
Impairment losses on trade receivables		115	93
Interest expense		189	732
Interest income		(24)	(27)
Gain on disposal of property, plant and equipment		(192)	(142)
Provision for onerous contracts reversed		(252)	—
Write-down on inventories		—	37
Operating cash flows before working capital changes		11,864	10,867
Changes in inventories		(729)	154
Changes in contract assets		(10,801)	(676)
Changes in trade and other receivables		6,253	8,086
Changes in prepayments		359	(789)
Changes in trade and other payables		(5,621)	(6,823)
Cash generated from operations		1,325	10,819
Income taxes paid		(109)	—
Net cash generated from operating activities		1,216	10,819
Cash Flows from Investing Activities:			
Interest received		24	27
Purchase of property, plant and equipment		(547)	(1,542)
Proceeds from disposal of property, plant and equipment		251	251
Net cash used in investing activities		(272)	(1,264)
Cash Flows from Financing Activities:			
Dividends paid	8	(4,066)	—
Fixed deposits		(1,000)	238
Interest paid		(189)	(732)
Repayment of lease liabilities		(1,537)	(1,875)
Repayment of loans from financial institutions		—	(9,865)
Net cash used in financing activities		(6,792)	(12,234)
Net decrease in cash and cash equivalents		(5,848)	(2,679)
Cash and cash equivalents at beginning of period		9,371	7,124
Exchange differences on translation of cash and cash equivalents		(10)	1
Cash and cash equivalents at end of period		3,513	4,446

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Ley Choon Group Holdings Limited (the "**Company**") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist board of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 September 2024 comprise the Company and its subsidiaries (collectively, the "**Group**").

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are as below:

- Underground utilities infrastructure construction and maintenance services, which include water pipes, NEWater pipes, high-pressure gas pipes, high-voltage power cables, fiber optic cables and sewer pipeline rehabilitation;
- Road and airfield pavement construction and maintenance services, which include the supplying and laying of graded stones, cement treated base and milling and laying of asphalt premix; and
- Construction materials supply services, which include production of asphalt premix and recycled aggregates from construction and demolition waste.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 September 2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Committee 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.

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 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 March 2024.

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.

Information about estimates, assumptions and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as follows:

- Note 10 - Depreciation of property, plant and equipment and right-of-use assets

There were no significant changes in critical judgements, estimates and assumptions as compared 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. Segment and revenue information

The Group is organised into the following main business segments:

Segment 1: Pipes & roads;

Segment 2: Construction materials; and Others

These operating segments are reported in a manner consistent with internal reporting provided to the Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

4.1. Reportable segments

The Group	Pipes and roads		Construction materials		Others/Unallocated		Total	
	30-Sep-24	30-Sep-23	30 Sep 24	30 Sep 23	30 Sep 24	30 Sep 23	30 Sep 24	30 Sep 23
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External revenue	63,312	61,832	1,100	986	—	—	64,412	62,818
Inter-segment revenue	28,024	32,580	17,322	7,815	—	—	45,346	40,395
Total revenue	91,336	94,412	18,422	8,801	—	—	109,758	103,213
Interest income	—	—	—	—	24	27	24	27
Interest expense	(189)	(174)	—	—	—	(558)	(189)	(732)
Depreciation of property, plant and equipment	(1,224)	(1,596)	(464)	(449)	(1,115)	(1,137)	(2,803)	(3,182)
Depreciation of right-of-use assets	(730)	(1,050)	(90)	(180)	(140)	(134)	(960)	(1,364)
Impairment loss on trade receivables	(115)	—	—	(93)	—	—	(115)	(93)
Provision for onerous contracts reversed	252	—	—	—	—	—	252	—
Reportable segment profit/(loss) before taxation	12,636	9,751	153	147	(4,527)	(4,269)	8,262	5,629
Reportable segment assets	63,569	63,532	7,092	3,133	17,080	22,511	87,741	89,176
Capital expenditure	365	1,209	61	43	22	81	448	1,333
Reportable segment liabilities	14,508	16,902	2,198	1,690	7,482	15,892	24,188	34,484

4.2. Disaggregation of Revenue

	6 Months Period ended 30 September 2024			6 Months Period ended 30 September 2023		
	Pipes and Roads S\$'000	Construction materials S\$'000	TOTAL S\$'000	Pipes and Roads S\$'000	Construction materials S\$'000	TOTAL S\$'000
The Group						
Revenue from contracts with customers						
- Rendering of services	62,473	—	62,473	61,585	—	61,585
- Sale of construction materials	—	1,100	1,100	—	1,117	1,117
	<u>62,473</u>	<u>1,100</u>	<u>63,573</u>	<u>61,585</u>	<u>1,117</u>	<u>62,702</u>
Rental of motor vehicles and machinery	839	—	839	116	—	116
	<u>63,312</u>	<u>1,100</u>	<u>64,412</u>	<u>61,701</u>	<u>1,117</u>	<u>62,818</u>
Timing of transfer of goods and services						
- Over time	29,152	—	29,152	26,820	—	26,820
- At a point in time	33,321	1,100	34,421	34,765	1,117	35,882
	<u>62,473</u>	<u>1,100</u>	<u>63,573</u>	<u>61,585</u>	<u>1,117</u>	<u>62,702</u>
Geographical information						
Singapore	63,312	1,100	64,412	61,676	1,117	62,793
Sri Lanka	—	—	—	25	—	25
	<u>63,312</u>	<u>1,100</u>	<u>64,412</u>	<u>61,701</u>	<u>1,117</u>	<u>62,818</u>

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2024 and 31 March 2024:

	The Group		The Company	
	30 Sep 2024	31 Mar 2024	30 Sep 2024	31 Mar 2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Financial assets</u>				
Financial assets at fair value through other comprehensive income (FVOCI)	18	21	—	—
Cash and bank balances and trade and other receivables (Amortised cost)	15,501	26,713	1,791	6,345
	<u>15,519</u>	<u>26,734</u>	<u>1,791</u>	<u>6,345</u>
<u>Financial liabilities</u>				
Trade and other payables* and lease liabilities (Amortised cost)	<u>22,386</u>	<u>27,611</u>	<u>206</u>	<u>350</u>

* Excluding net output taxes

5.1 Fair value measurement

The carrying amount of financial assets and liabilities with a maturity of less than one year is assumed to approximate their fair values.

However, the Group and the Company do not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

The face value less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, comprising trade and other receivables, cash and bank balances and fixed deposits, borrowings (which are short-term or repayable on demand), and trade and other payables, are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group and the Company for similar financial instruments.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as is prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

6. Profit before taxation

6.1. Significant items

	6 months ended	
	30 Sep 2024	30 Sep 2023
	S\$'000	S\$'000
The Group		
Change in fair value of financial assets at fair value through profit or loss	3	—
Depreciation of property, plant and equipment	2,803	3,182
Depreciation of right-of-use assets	960	1,364
Finance costs	189	732
Foreign exchange loss/(gain)	104	(697)
Gain on disposal of property, plant and equipment	(192)	(142)
Impairment losses on trade receivables	115	93
Interest income	(24)	(27)
Operating lease expenses	561	421
Provision for onerous contracts reversed	(252)	—
Write-down on inventories	—	37

6.2. Related party transactions

There are no related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 Months ended	
	30 Sep 2024	30 Sep 2023
	S\$'000	S\$'000
The Group		
Current income tax expenses	777	240
Deferred taxation relating to origination and reversal of temporary differences	163	—
	<hr/>	<hr/>
	940	240

8. Dividends

	6 Months ended	
	30 Sep 2024	30 Sep 2023
	S\$'000	S\$'000
The Group and the Company		
Final tax-exempt (one-tier) dividend of S\$0.0027 (30 September 2023: nil) per share respect of financial year ended 31 March 2024	4,066	—

9. Net Asset Value

	Group		Company	
	As at 30 Sep 2024	As at 31 Mar 2024	As at 30 Sep 2024	As at 31 Mar 2024
Net asset value (NAV in cents)				
NAV per ordinary share	4.22	4.00	10.74	11.03
Number of shares	1,505,767,572	1,505,767,572	1,505,767,572	1,505,767,572

10. Property, plant and equipment

During the six months ended 30 September 2024, the Group acquired property, plant and equipment amounting to S\$448,000 (30 September 2023: S\$1,333,000) and disposed of property, plant and equipment amounting to S\$59,000 (30 September 2023: S\$109,000).

11. Share capital

	The Group		The Company	
	As at 30 Sep 2024 S\$'000	As at 31 Mar 2024 S\$'000	As at 30 Sep 2024 S\$'000	As at 31 Mar 2024 S\$'000
<u>Issued and fully paid, with no par value</u>				
At beginning and end of interim period	97,889	97,889	164,108	164,108

The Group and the Company

Number of ordinary shares

At beginning and end of interim period	1,505,767,572	1,505,767,572
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The Company did not hold any treasury shares as at 30 September 2024 and 31 March 2024.

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

F. Other Information Required by Appendix 7C of the Catalist Rules

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Ley Choon Group Holdings Limited and its subsidiaries as at 30 September 2024 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 first half year ended 30 September 2024 and certain explanatory notes have not been audited or reviewed.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The financial statements referred above were not reviewed or audited.

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

The current results are in line with the commentary disclosed in paragraph 4 of the FY2024 Full Year results announcement dated 27 May 2024.

4. 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 operating period and the next 12 months

As per the press release by the Ministry of Trade and Industry ("MTI") on 14 October 2024⁽¹⁾, the construction sector grew by 3.1 per cent year-on-year in the third quarter. Growth during the quarter was on account of an increase in public sector construction output.

As per the announcement released by The Building and Construction Authority ("BCA") on 15 January 2024⁽²⁾, the business outlook for construction industry is expected to be strong, particularly in public sector and infrastructure construction segments. The public sector is expected to drive total construction demand in 2024, reaching between S\$18 billion and S\$21 billion.

⁽¹⁾ Source: <https://www.mti.gov.sg/Newsroom/Press-Releases/2024/10/Singapore-GDP-Grew-by-4.1-Per-Cent-in-the-Third-Quarter-of-2024>

⁽²⁾ Source: <https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2024/01/15/steady-demand-for-the-construction-sector-projected-for-2024>

The outlook for the construction industry remains positive and progressive, particularly in the public sector and infrastructure projects. However, global uncertainties, driven by geopolitical events and rising construction costs, are likely to impact the industry. Despite these challenges, the Group remains cautiously optimistic, maintaining a strong focus on the efficient execution of ongoing projects and enhancing operational efficiencies. Leveraging its solid track record and expertise, the Group will continue to pursue opportunities in underground infrastructure and utilities construction through careful and strategic tendering. Additionally, the Group remains vigilant in managing operating costs, cash flow, and potential business risks in the current environment.

To-date, the Group's unfulfilled order book stands at a healthy level of approximately S\$220.1 million.

5. Dividend Information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No.

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

5c. Date Payable

Not applicable.

5d. Books Closure Date

Not applicable.

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

No interim dividend has been recommended for the financial period ended 30 September 2024, primarily to preserve the Group's working capital to support operational needs and sustain financial stability.

7. Interested person transactions

The Group has not obtained a general mandate from shareholders for interested party transactions. The Group had no interested party transactions during the period.

8. Review of performance of the Group

Comprehensive income statement for the first half year ended 30 September 2024

Revenue

Revenue increased by approximately S\$1.6 million or 2.5% to S\$64.4 million for the first half year ended 30 September 2024 ("**1HFY2025**") compared to the revenue of the corresponding period ended 30 September 2023 ("**1HFY2024**") of S\$62.8 million. The marginal increase in revenue is largely attributed to the higher construction activities in road works and cable laying projects. However, the increase in revenue was partially offset by the lower revenue from airport project as well as certain pipe laying projects which are nearing completion.

Gross profit

Gross profit was S\$13.3 million with a gross profit margin of 20.6% for 1HFY2025 compared to gross profit of S\$10.3 million with a gross profit margin of 16.3% for 1HFY2024. Gross profit rose due to higher revenue from the projects referred above combined with a favorable mix of relatively higher margin projects, both of which contributed to improved profitability for the period.

Other income

Other income for 1HFY2025 decreased by approximately S\$0.2 million or 10.9% to S\$1.5 million compared to S\$1.7 million in 1HFY2024 mainly due to absence of gains from foreign exchange. However, the decrease was partially offset by higher income from the training center and sales of scrap materials during the period.

Selling and distribution expenses

Selling and distribution expenses for 1HFY2025 increased by 26.7% to S\$0.1 million compared to 1HFY2024 due mainly to certain business related expenses incurred during the period.

Administrative expenses

Administrative expenses for 1HFY2025 increased approximately by S\$0.6 million or 11.9% compared to 1HFY2024 due mainly to increase in staff remuneration related expenses and certain office expenses during the period.

Impairment losses on trade receivables

The impairment losses on trade receivables for 1HFY2025 was due mainly to the provision of bad debts related to a customer who is under voluntary liquidation under the pipes and roads business segment.

Other operating expenses

Other operating expenses for 1HFY2025 increased by approximately S\$0.1 million or 184.2% to S\$0.1 million compared to 1HFY2024 mainly due to the increase in foreign exchange losses during the period.

Finance costs

Finance costs for 1HFY2025 decreased by approximately S\$0.5 million or 74.2% to S\$0.2 million compared to 1HFY2024 of S\$0.7 million, primarily due to the full repayment of the borrowings.

Net profit

The Group reported a net profit after tax of S\$7.3 million for 1HFY2025 compared to 1HFY2024 of S\$5.4 million due to the various reasons as explained above.

Consolidated statements of financial position

Non-current assets

The Group's non-current assets decreased by S\$2.0 million from S\$23.4 million as at 31 March 2024 to S\$21.4 million as at 30 September 2024, attributable mainly to:

- (a) decrease in property, plant and equipment by S\$1.8 million to S\$13.3 million as at 30 September 2024 compared to S\$15.1 million as at 31 March 2024 due mainly to the depreciation of S\$2.8 million, disposal of plant and equipment of S\$0.1 million; partially offset by additional of plant and equipment amounting to S\$0.4 million and reclassification of fully paid right-of-use assets of S\$0.6 million; and
- (b) decrease in right-of-use assets by S\$0.2 million to S\$7.7 million as at 30 September 2024 compared to S\$7.9 million as at 31 March 2024, due mainly to the depreciation of S\$1.0 million and the reclassification of S\$0.6 million to property, plant and equipment; partially offset by additions of plant and machinery amounting to S\$1.4 million.

Current assets

The Group's current assets stood at S\$66.0 million as at 30 September 2024 and 31 March 2024. However, there are some movements in the individual items, as below:

- (a) increase in contract assets by S\$10.8 million to S\$39.3 million as at 30 September 2024 compared to S\$28.5 million as at 31 March 2024 due mainly to the decrease in billing from the projects;
- (b) increase in fixed deposit of S\$1.0 million during the period; and
- (c) increase in inventories by S\$0.7 million to S\$7.1 million as at 30 September 2024 compared to S\$6.4 million as at 31 March 2024 due mainly to purchase of materials for ongoing projects;

Which were partially offset by:

- (d) decrease in trade and other receivables by S\$6.4 million to S\$10.9 million as at 30 September 2024 compared to S\$17.3 million as at 31 March 2024 due mainly to the increase in collections from customers during the period;
- (e) decrease in cash and cash equivalents by S\$5.9 million to S\$3.5 million as at 30 September 2024 compared to S\$9.4 million as at 31 March 2024 due mainly to the payment of trade and other payables and dividends payment to the shareholders during the period; and
- (f) decrease in prepayment by S\$0.4 million due mainly to the receipts of materials from the suppliers to whom advance payments were made.

Current liabilities

The Group's current liabilities decreased by S\$5.5 million from S\$26.3 million as at 31 March 2024 to S\$20.8 million as at 30 September 2024 due mainly to:

(a) decrease in trade and other payable by S\$5.6 million to S\$17.7 million as at 30 September 2024 compared to S\$23.3 million as at 31 March 2024 due mainly to increase in payments made to the creditors; and

(b) decrease in lease liabilities by S\$0.3 million due mainly to repayment of lease;

which were partially offset by an increase in current income tax liabilities by S\$0.6 million due to provision of corporate tax.

Non-current liabilities

The Group's non-current liabilities increased by S\$0.2 million from S\$3.3 million as at 31 March 2024 to S\$3.4 million as at 30 September 2024 due mainly to higher deferred tax liabilities and additional lease liabilities.

Consolidated statement of cash flow

The Group's cash and cash equivalents stood at S\$3.5 million as at 30 September 2024, as compared to S\$9.4 million as at 31 March 2024.

Net cash generated from operating activities

Net cash generated from operating activities was S\$1.2 million, comprising operating cash flows before working capital changes of S\$11.9 million, net working capital outflow of S\$10.5 million and income tax payment of S\$0.1 million.

The net working capital outflow of S\$10.5 million was due mainly to the following:

(a) increase in inventories of approximately S\$0.7 million due to purchase of materials for the ongoing projects; and

(b) increase in contract assets of approximately S\$10.8 million due mainly to the decrease in billing from the projects ;

(c) decrease in trade and other receivables of approximately S\$6.2 due mainly to increase in collections from customers during the period;

(d) decrease in prepayment of approximately S\$0.4 million due to the receipts of materials from the suppliers to whom advance payments were made; and

(e) decrease in trade and other payables of approximately S\$5.6 million due to increase in payments made to the creditors.

Net cash used in investing activities

Net cash used in investing activities of approximately S\$0.3 million was due mainly to the purchase of plant and equipment and right-of-use assets which was partially offset by proceeds from disposal of plant and equipment.

Net cash used in financing activities

Net cash used in financing activities of approximately S\$6.8 million was due mainly to dividend payment, repayment of lease liabilities and interest payments.

9. Disclosure on Acquisitions and Realisations of Shares pursuant to Catalist Rule 706A

During 1HFY2025, there were no acquisitions or realisations of shares resulting in a company becoming or ceasing to be a subsidiary or associated company of the Company, or resulting in the Company increasing or reducing its shareholding percentage in a subsidiary or associated company.

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

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

11. Negative Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules

Having considered, including but not limited to, the following:

- whether the financial statements provide a balanced and fair view of any material factors that have affected the Company's business conditions and financial position; and
- all material information has been assessed to ensure reliability of the financial statements,

the Board of Directors of the Company confirms, to the best of their knowledge, nothing has come to their attention which may render the first half yearly financial results for the period ended 30 September 2024 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Toh Choo Huat
Executive Chairman and Chief Executive Officer

William Tan Kwang Hwee
Lead Independent Director

13 November 2024