



TIONG WOON CORPORATION HOLDING LTD
(Incorporated in Singapore. Registration Number: 199705837C)
AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS
For the six months ended 31 December 2022

TIONG WOON CORPORATION HOLDING LTD
(Incorporated in Singapore)
AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS
For the six months ended 31 December 2022

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**TIONG WOON CORPORATION HOLDING LTD
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**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

For the six months ended 31 December 2022

	Note	Group		Increase/ (Decrease) %
		31 December 2022 \$'000	31 December 2021 \$'000	
Revenue	4	65,884	60,950	8
Cost of sales		(37,492)	(35,280)	6
Gross profit		28,392	25,670	11
Other income		1,923	1,215	58
Impairment written back/(loss) on financial assets - net		14	(33)	NM
Other losses - net		(2,620)	(314)	734
Expenses				
- Administrative		(623)	(595)	5
- Other operating		(16,046)	(14,041)	14
- Finance		(1,725)	(1,312)	31
Share of profit/(loss) of associated companies		139	(82)	NM
Profit before income tax		9,454	10,508	(10)
Income tax expense	7	(2,236)	(2,760)	(19)
Total profit		7,218	7,748	(7)
Other comprehensive loss:				
Items that may be subsequently reclassified to profit or loss:				
Currency translation differences arising from consolidation				
- Losses		(602)	(73)	725
Total comprehensive income		6,616	7,675	(14)
Profit/(Loss) attributable to:				
Equity holders of the Company		7,228	7,759	(7)
Non-controlling interest		(10)	(11)	(9)
		7,218	7,748	(7)
Total comprehensive income attributable to:				
Equity holders of the Company		6,626	7,686	(14)
Non-controlling interest		(10)	(11)	(9)
		6,616	7,675	(14)
Earnings per share attributable to equity holders of the Company				
- Basic (SGD in cent)	14	3.12	3.34	(7)
- Diluted (SGD in cent)	14	3.12	3.34	(7)

NM: Not meaningful

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

**TIONG WOON CORPORATION HOLDING LTD
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CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

	Note	<u>Group</u>		<u>Company</u>	
		31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		59,288	55,974	416	366
Financial assets, at fair value through profit or loss	10	207	211	-	-
Trade and other receivables		54,520	51,470	-	-
Tax recoverable		155	42	-	-
Inventories		2,038	2,128	-	-
Other assets		2,600	2,032	20	9
		118,808	111,857	436	375
Non-current assets					
Other assets		1,170	1,196	-	-
Other receivables		-	-	42,785	43,239
Investments in associated companies		2,999	2,969	1,020	1,020
Investments in subsidiaries		-	-	44,884	44,884
Property, plant and equipment	11	339,160	346,654	-	-
Right-of-use assets		12,719	13,183	-	-
Deferred income tax assets		365	398	-	-
		356,413	364,400	88,689	89,143
Total assets		475,221	476,257	89,125	89,518
LIABILITIES					
Current liabilities					
Trade and other payables		37,771	40,597	226	259
Current income tax liabilities		4,031	4,817	-	-
Borrowings	12	21,165	21,191	-	-
		62,967	66,605	226	259
Non-current liabilities					
Trade and other payables		10,800	5,361	-	-
Borrowings	12	86,281	95,083	-	-
Deferred income tax liabilities		29,013	28,313	-	-
		126,094	128,757	-	-
Total liabilities		189,061	195,362	226	259
NET ASSETS		286,160	280,895	88,899	89,259
EQUITY					
Capital and reserves attributable to the equity holders of the Company					
Share capital	13	87,340	87,340	87,340	87,340
Treasury shares		(192)	-	(192)	-
Other reserves		(1,484)	(882)	-	-
Retained earnings		200,535	194,466	1,751	1,919
		286,199	280,924	88,899	89,259
Non-controlling interest		(39)	(29)	-	-
Total equity		286,160	280,895	88,899	89,259

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

**TIONG WOON CORPORATION HOLDING LTD
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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the six months ended 31 December 2022

Group	<u>Attributable to equity holders of the Company</u>					<u>Non- controlling interest</u>	<u>Total equity</u>
	<u>Share capital</u>	<u>Treasury shares</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>		
	\$'000	\$'000	\$'000	\$'000	\$'000		
2023							
Balance as at 1 July 2022	87,340	-	(882)	194,466	280,924	(29)	280,895
Profit for the financial period	-	-	-	7,228	7,228	(10)	7,218
Other comprehensive loss for the financial period	-	-	(602)	-	(602)	-	(602)
Total comprehensive (loss)/income for the financial period	-	-	(602)	7,228	6,626	(10)	6,616
Purchase of treasury shares	-	(192)	-	-	(192)	-	(192)
Dividend relating to 2022 paid	-	-	-	(1,159)	(1,159)	-	(1,159)
Balance as at 31 December 2022	87,340	(192)	(1,484)	200,535	286,199	(39)	286,160
2022							
Balance as at 1 July 2021	87,340	-	(426)	184,004	270,918	26	270,944
Profit for the financial period	-	-	-	7,759	7,759	(11)	7,748
Other comprehensive loss for the financial period	-	-	(73)	-	(73)	-	(73)
Total comprehensive (loss)/income for the financial period	-	-	(73)	7,759	7,686	(11)	7,675
Dividend relating to 2021 paid	-	-	-	(929)	(929)	-	(929)
Balance as at 31 December 2021	87,340	-	(499)	190,834	277,675	15	277,690

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the six months ended 31 December 2022

Company	Attributable to equity holders of the Company			
	<u>Share capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000
2023				
Balance as at 1 July 2022	87,340	-	1,919	89,259
Profit for the financial period	-	-	991	991
Purchase of treasury shares	-	(192)	-	(192)
Dividend relating to 2022 paid	-	-	(1,159)	(1,159)
Balance as at 31 December 2022	87,340	(192)	1,751	88,899
2022				
Balance as at 1 July 2021	87,340	-	2,227	89,567
Profit for the financial period	-	-	784	784
Dividend relating to 2021 paid	-	-	(929)	(929)
Balance as at 31 December 2021	87,340	-	2,082	89,422

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**TIONG WOON CORPORATION HOLDING LTD
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2022

	Group	
	6 months ended 31 December 2022 \$'000	31 December 2021 \$'000
Cash flows from operating activities		
Total profit	7,218	7,748
Adjustments for:		
- Income tax expense	2,236	2,760
- Depreciation of property, plant and equipment	15,554	15,205
- Depreciation of right-of-use assets	537	603
- Dividend income	(6)	-
- (Gain)/loss on disposal of property, plant and equipment	(422)	348
- Fair value loss on financial assets, at fair value through profit or loss	4	39
- Impairment (written back)/loss on trade receivables - net	(14)	33
- Interest income	(546)	(196)
- Interest expense	1,725	1,312
- Share of (profit)/loss of associated companies	(139)	82
- Translation differences	737	(203)
Operating cash flow before working capital changes	<u>26,884</u>	<u>27,731</u>
Change in operating assets and liabilities:		
- Inventories	90	(182)
- Trade and other receivables	(2,059)	(3,519)
- Other current assets	(568)	(1,141)
- Trade and other payables	(4,058)	(7,384)
Cash generated from operations	<u>20,289</u>	<u>15,505</u>
Income tax paid	(2,308)	(1,251)
Net cash provided by operating activities	<u>17,981</u>	<u>14,254</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,019)	(2,569)
Interest received	546	196
Dividend received	6	-
Fixed deposits unpledged	116	-
Proceeds from disposal of property, plant and equipment	1,501	2,302
Net cash used in investing activities	<u>(850)</u>	<u>(71)</u>
Cash flows from financing activities		
Purchase of treasury shares	(192)	-
Proceeds from bank borrowings	-	353
Principal repayment of bank borrowings	(3,265)	(2,668)
Repayment of other secured borrowings	(7,002)	(6,674)
Interest paid	(1,639)	(1,309)
Principal repayments of lease liabilities	(444)	(557)
Dividends paid to equity holders of the Company	(1,159)	(929)
Net cash used in financing activities	<u>(13,701)</u>	<u>(11,784)</u>
Net increase in cash and cash equivalents	<u>3,430</u>	<u>2,399</u>
Cash and cash equivalents at beginning of financial period	<u>55,022</u>	<u>44,837</u>
Cash and cash equivalents at end of financial period	<u>58,452</u>	<u>47,236</u>
Cash and cash equivalents at end of financial period	59,288	47,909
Less: Bank deposits pledged	(836)	(673)
Cash and cash equivalents as per statement of cash flows	<u>58,452</u>	<u>47,236</u>

The accompanying notes form an integral part of these condensed interim consolidated financial statements

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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1. Corporate information

Tiong Woon Corporation Holding Ltd (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is No. 15 Pandan Crescent, Singapore 128470.

These condensed interim consolidated financial statements as at and for the six months ended 31 December 2022 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 Group are:

- (a) Hiring out of cranes and transport;
- (b) Selling, servicing and leasing of equipment in the petroleum, construction, shipbuilding and related industries; and
- (c) Marine or transportation logistics related business.

2. Basis of preparation

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

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

On 1 July 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the current financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial periods.

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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 financial year ended 30 June 2022.

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.

(a) Impairment of property, plant and equipment - Machinery, tug boats and barges

The machinery, tug boat and barges are tested for impairment whenever there is an objective evidence or indication that they may be impaired. An impairment loss is recognised to the extent that the carrying amount is more than its recoverable amount. The recoverable amount is determined based on the fair value less costs of disposal.

As at 31 December 2022, management has not identified any indicators of impairment relating to the machinery, tug boat and barges of the Group.

(b) Impairment of trade receivables

Management reviews its trade receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

As at 31 December 2022, the Group's net trade receivables amounted to \$44.8 million (30 June 2022: \$37.1 million), arising from the Group's different revenue segments as disclosed in Note 4.1. Based on the Group's historical credit loss experience, trade receivables exhibited different loss patterns depending on the type of trade receivables that are grouped based on shared credit risk characteristics. Accordingly, management has determined expected loss rates for each of the trade receivables. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

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(b) Impairment of trade receivables (continued)

As at 31 December 2022, the impairment loss allowance for trade receivables was \$27.3 million (30 June 2022: \$28.8 million). The Group's trade receivables included one debtor, whose debt amounted to \$11.6 million (30 June 2022: \$12.0 million) which is aged more than 365 days. Allowance for impairment of \$11.6 million (30 June 2022: \$12.0 million) has been made for this debt.

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: Heavy Lift & Haulage;
- Segment 2: Marine Transportation; and
- Segment 3: Trading

These operating segments are reported in a manner consistent with internal reporting provided to Senior Management of the Group who are responsible for allocating resources and assessing performance of the operating segments. The Senior Management of the Group comprises the Executive Chairman, Executive Directors and key senior management personnel of the Group.

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4.1. Reportable segments

<u>1 July 2022 to 31 December 2022</u> <u>(FY2023-1H)</u>	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
Revenue				
-external sales	63,786	1,594	504	65,884
-inter-segment sales	219	995	-	1,214
	<u>64,005</u>	<u>2,589</u>	<u>504</u>	<u>67,098</u>
Elimination				<u>(1,214)</u>
				<u>65,884</u>
Segment result	11,780	517	89	12,386
Depreciation - property, plant and equipment				(1,475)
Depreciation - ROU assets				(252)
Other income				1,923
Other losses - net				(2,620)
Finance costs				(647)
Share of (loss)/profit of associated companies	(1)	140	-	139
Profit before income tax				<u>9,454</u>
Income tax expense				(2,236)
Net profit				<u>7,218</u>
Other segment items				
Capital expenditure				
- property, plant and equipment	11,824	44	-	11,868
- ROU assets	73	-	-	73
Depreciation - property, plant and equipment	14,944	603	7	15,554
Depreciation - ROU assets	537	-	-	537
Segment assets	393,839	6,850	794	401,483
Investment in associated companies	12	2,987	-	2,999
Unallocated assets				<u>70,739</u>
Consolidated total assets				<u>475,221</u>
Segment liabilities	(97,885)	(1,705)	(718)	(100,308)
Unallocated liabilities				<u>(88,753)</u>
Consolidated total liabilities				<u>(189,061)</u>

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4.1. Reportable segments (continued)

<u>1 July 2021 to 31 December 2021</u> <u>(FY2022-1H)</u>	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
Revenue				
-external sales	59,060	1,888	2	60,950
-inter-segment sales	188	465	-	653
	<u>59,248</u>	<u>2,353</u>	<u>2</u>	<u>61,603</u>
Elimination				<u>(653)</u>
				<u>60,950</u>
Segment result	11,922	197	(23)	12,096
Depreciation - property, plant and equipment				(1,459)
Depreciation - ROU assets				(252)
Other income				1,215
Other gains - net				(314)
Finance costs				(696)
Share of loss of associated companies	(59)	(23)	-	(82)
Profit before income tax				10,508
Income tax expense				(2,760)
Net profit				<u>7,748</u>
Other segment items				
Capital expenditure				
- property, plant and equipment	19,504	918	-	20,422
Depreciation - property, plant and equipment	13,080	659	7	13,746
Depreciation - ROU assets	351	-	-	351
Segment assets	457,488	7,366	194	465,048
Investment in associated companies	13	2,808	-	2,821
Unallocated assets				503
Consolidated total assets				<u>468,372</u>
Segment liabilities	(97,093)	(1,235)	(19)	(98,347)
Unallocated liabilities				(92,335)
Consolidated total liabilities				<u>(190,682)</u>

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4.2. Disaggregation of revenue

	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
<u>1 July 2022 to 31 December 2022</u>				
<u>(FY2023-1H)</u>				
Types of goods or service:				
Rendering of services	14,698	-	-	14,698
Trading sales of equipment and spare parts	-	-	504	504
Total revenue from contracts with customers	14,698	-	504	15,202
Rental income	49,088	1,594	-	50,682
Total revenue	63,786	1,594	504	65,884
Timing of revenue recognition:				
At a point in time	-	-	504	504
Over time	14,698	-	-	14,698
Total revenue from contracts with customers	14,698	-	504	15,202
Geographical information:				
Singapore	47,821	37	461	48,319
Brunei	792	-	-	792
Middle East	1,392	-	-	1,392
India	5,912	12	-	5,924
Malaysia	1,076	33	-	1,109
Thailand	587	618	-	1,205
Indonesia	4,951	-	36	4,987
China	89	-	-	89
Other countries	1,166	894	7	2,067
Total revenue	63,786	1,594	504	65,884

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4.2. Disaggregation of revenue (continued)

	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
<u>1 July 2021 to 31 December 2021</u>				
<u>(FY2022-1H)</u>				
Types of goods or service:				
Rendering of services	7,271	9	-	7,280
Trading sales of equipment and spare parts	-	-	2	2
Total revenue from contracts with customers	7,271	9	2	7,282
Rental income	51,789	1,879	-	53,668
Total revenue	59,060	1,888	2	60,950
Timing of revenue recognition:				
At a point in time	-	-	2	2
Over time	7,271	9	-	7,280
Total revenue from contracts with customers	7,271	9	2	7,282
Geographical information:				
Singapore	46,870	219	2	47,091
Brunei	11	-	-	11
Middle East	1,217	-	-	1,217
India	2,944	113	-	3,057
Malaysia	610	2	-	612
Thailand	396	230	-	626
Indonesia	3,858	-	-	3,858
China	765	-	-	765
Other countries	2,389	1,324	-	3,713
Total revenue	59,060	1,888	2	60,950

A breakdown of sales:

	Group		
	FY2023 \$'000	FY2022 \$'000	Increase/ (Decrease) %
Sales reported for first half year	65,884	60,950	8
Profit after tax reported for first half year	7,218	7,748	(7)

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5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 30 June 2022:

	<u>Group</u>		<u>Company</u>	
	31 December 2022 \$'000	30 June 2022 \$'000	31 December 2022 \$'000	30 June 2022 \$'000
Financial Assets				
Cash and bank balances and trade and other receivables (Amortised cost)	114,697	106,585	416	366
Financial assets, at fair value through profit or loss	207	211	-	-
	114,904	106,796	416	366
Financial Liabilities				
Trade and other payables and borrowings (Amortised cost)	147,375	156,137	226	259

6. Profit before taxation

6.1. Significant items

	<u>Group</u>	
	31 December 2022 \$'000	31 December 2021 \$'000
Income		
Dividend income	6	-
Interest income	546	196
Insurance claims received	191	151
Government grant	160	841
Miscellaneous gains	23	27
Expenses		
Depreciation of property, plant and equipment	(15,554)	(15,205)
Depreciation of right-of-use assets	(537)	(603)
Currency exchange (loss)/gain - net	(3,038)	73
Gain/(loss) on disposal of property, plant and equipment	422	(348)
Fair value loss on financial assets at fair value through profit or loss	(4)	(39)
Impairment loss on trade receivables	(544)	(116)
Impairment loss on trade receivables written back	558	83
Interest expense	(1,725)	(1,312)
Over-provision in prior years' current income tax	32	111

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6.2. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	6 months ended	
	31 December	31 December
	2022	2021
	\$'000	\$'000
Sales to corporations in which certain directors or their close family members have control or significant influence over:		
- Sales and rental of equipment and rendering of services	111	108
Purchases from corporations in which certain directors or their close family members have control or significant influence over:		
- Rental of equipment	5	101

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	6 months ended	
	31 December	31 December
	2022	2021
	\$'000	\$'000
Salaries and other short-term employee benefits	2,976	2,604
Employer's contribution to defined contribution plans, including Central Provident Fund	249	218
	3,225	2,822

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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:

	<u>Group</u>	
	6 months ended	
	31 December 2022	31 December 2021
	\$'000	\$'000
Current income tax expense	1,503	2,107
Deferred income tax expense relating to origination and reversal of temporary differences	733	653
	<u>2,236</u>	<u>2,760</u>

8. Dividends

	<u>Group</u>	
	FY2023	FY2022
	\$'000	\$'000
*Ordinary dividends paid:		
Final dividend paid in respect of the previous financial year	<u>1,159</u>	<u>929</u>
Dividend per share (net of tax)	0.5 cents	0.4 cents

*Based on total number of ordinary shares, excluding treasury shares, of 231,835,253 (31 December 2021: 232,235,253)

9. Net Asset Value

	<u>Group</u>		<u>Company</u>	
	As At 31 December 2022	As At 30 June 2022	As At 31 December 2022	As At 30 June 2022
	\$'000	\$'000	\$'000	\$'000
Net asset value per ordinary share (cents)	123.45	120.97	38.35	38.43
Number of shares excluding treasury shares	231,835,253	232,235,253	231,835,253	232,235,253

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10. Financial assets, at fair value through profit and loss

Financial assets, at fair value through profit or loss comprise the following:

	Group	
	As At 31 December 2022 \$'000	As At 30 June 2022 \$'000
Listed securities		
Equity securities – Singapore	207	211

10.1. Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The following table presented the assets measured at fair value:

	<u>Level 1</u> \$'000	<u>Level 2</u> \$'000	<u>Level 3</u> \$'000	<u>Total</u> \$'000
Group				
As at 31 December 2022				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	207	-	-	207
As at 30 June 2022				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	211	-	-	211

11. Property, plant and equipment

During the six months ended 31 December 2022, the Group acquired assets amounting to \$11,868,000 (31 December 2021: \$20,422,000) and disposed of assets amounting to \$1,079,000 (31 December 2021: \$2,650,000).

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12. Borrowings

	As At 31 December 2022 \$'000	Group As At 30 June 2022 \$'000
Amount repayable in one year or less (secured)		
- Bank borrowings	6,481	6,874
- Other secured borrowings	14,164	13,620
	20,645	20,494
Amount repayable in one year or less (unsecured)		
- Lease liabilities	520	697
	21,165	21,191
Amount repayable after one year (secured)		
- Bank borrowings	53,747	56,619
- Other secured borrowings	19,802	25,537
	73,549	82,156
Amount repayable after one year (unsecured)		
- Lease liabilities	12,732	12,927
	86,281	95,083
Total borrowings	107,446	116,274

Details of any collateral:

- (a) Bank borrowings of the Group are secured by a first legal charge over certain of the Group's property, plant and equipment.
- (b) Other secured borrowings of the Group are secured over the leased machinery and motor vehicles.

13. Share capital

As at 31 December 2022, the Group's share capital comprises fully paid up 231,835,253 (30 June 2022: 232,235,253) ordinary shares (excluding treasury shares) with no par value, amounting to a total of \$87,340,000 (30 June 2022: \$87,340,000).

During the six months ended 31 December 2022, the Company acquired 400,000 (31 December 2021: Nil) ordinary shares in the open market. The total amount paid to acquire the shares was \$192,000 (31 December 2021: Nil) and this was presented as a component within shareholder's equity. There were no outstanding convertibles as at 31 December 2022 and 30 June 2022. There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the interim financial period ended 31 December 2022.

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14. Earnings per share

	Group	
	6 months ended	
	31 December	31 December
	2022	2021
Profit attributable to equity holders of the Company (\$'000)	7,228	7,759
Weighted average number of ordinary shares (excluding treasury shares)	231,977,986	232,235,253
Earnings per ordinary shares for the period (cents)		
- Basic	3.12	3.34
- Diluted	3.12	3.34

Basic and diluted earnings per share were computed using the net profit attributable to equity holders of the Company and weighted average number of ordinary shares as disclosed above for each period.

15. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Other Information Required by Listing Rule Appendix 7.2

**TIONG WOON CORPORATION HOLDING LTD
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OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Review

The condensed consolidated statements of financial position of Tiong Woon Corporation Holding Ltd and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review on Group's Financial Results

6 Months ended 31 December 2022 (1HFY2023) vs 6 Months ended 31 December 2021 (1HFY2022)

<u>Revenue</u>	1HFY2023 \$'000	1HFY2022 \$'000	Increase/ (Decrease) %
<u>Heavy Lift and Haulage</u>			
- External	63,786	59,060	8%
- Inter-segment	219	188	16%
	<u>64,005</u>	<u>59,248</u>	8%
<u>Marine Transportation</u>			
- External	1,594	1,888	(16%)
- Inter-segment	995	465	114%
	<u>2,589</u>	<u>2,353</u>	10%
<u>Trading</u>			
- External	504	2	25100%
Less: Inter-segment	<u>(1,214)</u>	<u>(653)</u>	86%
	<u>65,884</u>	<u>60,950</u>	8%

Revenue was \$65.9 million in 1HFY2023, an increase of \$4.9 million or 8% from \$61.0 million in 1HFY2022. The increase was mainly attributable to the increase in contributions from Heavy Lift and Haulage as well as Trading segments.

Heavy Lift and Haulage segment external revenue increased by \$4.7 million or 8% from \$59.1 million in 1HFY2022 to \$63.8 million in 1HFY2023, mainly due to higher revenue derived from India, Singapore and Indonesia offset by lower revenue derived from Vietnam and China.

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2. Review of performance of the Group (continued)

Review on Group's Financial Results (continued)

Marine Transportation segment external revenue decreased by \$0.3 million or 16% from \$1.9 million in 1HFY2022 to \$1.6 million in 1HFY2023, mainly due to fewer chartering jobs for external parties as compared to inter-segment.

Trading segment revenue increased by \$0.5 million or 25100% as there was sale of equipment and trading parts in 1HFY2023 as compared to sale of only trading parts in 1HFY2022.

Gross profit was \$28.4 million in 1HFY2023, an increase of \$2.7 million or 11% from \$25.7 million in 1HFY2022, mainly due to higher revenue from Heavy Lift and Haulage segment. **Gross profit margin** was higher at 43% in 1HFY2023 as compared to 42% in 1HFY2022, mainly due to better performance in all segments.

Other income was \$1.9 million in 1HFY2023, an increase of \$0.7 million or 58% from \$1.2 million in 1HFY2022, mainly due to higher interest income and miscellaneous gains offset by lower government grants.

Impairment written back on financial assets - net was \$0.01 million in 1HFY2023 as compared to impairment loss on financial assets - net of \$0.03 million in 1HFY2022. The variance of \$0.05 million was mainly attributable to an increase of \$0.48 million in impairment written back on trade receivables offset by an increase of \$0.43 million in impairment loss on trade receivables.

Other Losses - net was \$2.6 million in 1HFY2023, an increase of \$2.3 million or 734% as compared to \$0.3 million in 1HFY2022. This was attributable to operational exchange loss of \$3.0 million mainly arising from revaluation of intercompany balances following the appreciation of the Singapore Dollar during the period, offset by gain on disposal of property, plant and equipment of \$0.4 million in 1HFY2023, as compared to loss on disposal of property, plant and equipment of \$0.3 million offset by operational exchange gain of \$0.1 million in 1HFY2022.

Other Operating Expenses were \$16.0 million in 1HFY2023, an increase of \$2.0 million or 15% from \$14.0 million in 1HFY2022 mainly due to higher depreciation on the new industrial premise and additional reinstatement costs on the old industrial premise for its tower crane division as well as higher manpower and travel costs.

Finance Expenses were \$1.7 million in 1HFY2023, an increase of \$0.4 million or 31% from \$1.3 million in 1HFY2022, mainly due to higher interest rates on bank borrowings during the current financial period.

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2. Review of performance of the Group (continued)

Review on Group's Financial Results (continued)

Income Tax Expense was \$2.2 million in 1HFY2023, a decrease of \$0.5 million or 19% from \$2.8 million in 1HFY2022. This was mainly due to lower tax provision made for current financial period.

<u>Profit/(Loss) Before Tax</u>	1HFY2023	1HFY2022	Increase/ (Decrease)
	\$'000	\$'000	%
Heavy Lift and Haulage	8,976	10,286	(13%)
Marine Transportation	553	217	155%
Trading	(75)	5	NM
	9,454	10,508	(10%)

Profit before Income Tax was \$9.5 million in 1HFY2023, a decrease of \$1.0 million or 10% from \$10.5 million in 1HFY2022.

Heavy Lift and Haulage segment profit before income tax was \$9.0 million in 1HFY2023, a decrease of \$1.3 million or 13% from \$10.3 million in 1HFY2022. This was mainly due to operational exchange loss of \$2.7 million in 1HFY2023, as compared to operational exchange gain of \$0.04 million in 1HFY2022.

Marine Transportation segment recorded a profit before income tax of \$0.5 million in 1HFY2023, an increase of \$0.3 million or 155% from \$0.2 million in 1HFY2022, mainly due to better performance, as well as higher share of profit of associated companies in 1HFY2023.

Trading segment recorded a loss before income tax of \$0.1 million in 1HFY2023 as compared to a profit before income tax of \$0.005 million in 1HFY2022. This was mainly due to operational exchange loss of \$0.2 million in 1HFY2023, as compared to operational exchange gain of \$0.03 million in 1HFY2022.

Review of Statements of Financial Position and Cash Flows

Cash and cash equivalents increased by \$3.3 million from \$56.0 million as at 30 June 2022 to \$59.3 million as at 31 December 2022 mainly due to net cash inflows from operating activities of \$18.0 million. This was offset by the net cash outflow from financing activities and investing activities of \$13.7 million and \$0.9 million respectively. Net cash outflow from financing activities of \$13.7 million resulted mainly from repayment of bank borrowings and other secured borrowings of \$10.3 million, payment of interest \$1.6 million and payment of dividend to shareholders \$1.2 million.

Total trade and other receivables (current and non-current) increased by \$3.0 million from \$51.5 million as at 30 June 2022 to \$54.5 million as at 31 December 2022, mainly due to higher revenue recorded in the current financial period.

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2. Review of performance of the Group (continued)

Review of Statements of Financial Position and Cash Flows (continued)

Other assets (current) increased by \$0.6 million from \$2.0 million as at 30 June 2022 to \$2.6 million as at 31 December 2022, mainly due to the increase in prepayments for insurance premium and advances paid to suppliers.

Total trade and other payables (current and non-current) increased by \$2.6 million from \$46.0 million as at 30 June 2022 to \$48.6 million as at 31 December 2022. The increase was mainly due to increase in purchases of equipment with longer credit terms.

Current income tax liabilities decreased by \$0.8 million from \$4.8 million as at 30 June 2022 to \$4.0 million as at 31 December 2022, mainly due to income tax paid offset by income tax provision made for the current financial period.

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

Not applicable.

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

The business environment remains challenging and uncertain amid the ongoing Russia-Ukraine conflict, geopolitical tensions, elevated interest rate and inflationary pressures, as well as concerns over an economic slowdown in the global economy in 2023.

Notwithstanding the above-mentioned, the Group is cautiously optimistic that customer demand for Heavy Lift and Haulage solutions should remain resilient in the petrochemical, construction, infrastructure sectors in Singapore and in our key regional markets.

We will continue to exercise caution in managing cashflow, operating costs and business risks in the challenging operating climate, even as we tap on market opportunities arising from underlying needs for infrastructure and petrochemical investments, and the progressive resumption of construction activities that was interrupted by COVID-19.

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5. Dividend Information

5(a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No. There is no dividend recommended for the financial period ended 31 December 2022.

5(b) Corresponding Period of the Immediately Preceding Financial Year

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

No dividend was declared and paid in the corresponding period.

5(c) Date Payable

Not applicable.

5(d) Books Closure Date

Not applicable.

6. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

The following interested person transactions took place between the Group and the interested persons during the financial year under review:

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	1HFY2023 \$'000	1HFY2022 \$'000	1HFY2023 \$'000	1HFY2022 \$'000
Sales				
Pollisum Engineering Pte Ltd	111	36	-	-
Xin Woon Transport Pte Ltd	-	72	-	-
Purchases				
Pollisum Engineering Pte Ltd	5	59	-	-
Xin Woon Transport Pte Ltd	-	42	-	-

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OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

7. Negative Confirmation of Interim Financial Results Pursuant to Rule 705(5) of the SGX-ST Listing Manual

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for Half Year ended 31 December 2022 to be false or misleading, in any material aspect.

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its Directors and Executive Officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

**By Order of the Board
Mr Ang Kah Hong
Executive Chairman**

14 February 2023