



**HIAP TONG CORPORATION LTD.**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 200800657N)

**UNAUDITED FIRST HALF FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE PERIOD FROM 1 APRIL 2020 TO 30 SEPTEMBER 2020**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a)(i) Consolidated statement of comprehensive income, together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group		
	6 months ended 30.09.2020 S\$'000	6 months ended 30.09.2019 S\$'000	Change %
Revenue	18,507	29,334	(36.9)
Cost of sales	(21,346)	(24,326)	(12.3)
<b>Gross (loss)/profit</b>	<b>(2,839)</b>	<b>5,008</b>	<b>NM</b>
Other income	4,847	1,181	310.4
Distribution expenses	(39)	(108)	(63.9)
Administrative expenses	(3,599)	(3,948)	(8.8)
Other expenses	(19)	—	NM
<b>Results from operating activities</b>	<b>(1,649)</b>	<b>2,133</b>	<b>NM</b>
Finance income	165	5	>100
Finance costs	(1,113)	(1,179)	(5.6)
<b>Net finance costs</b>	<b>(948)</b>	<b>(1,174)</b>	<b>(19.3)</b>
<b>(Loss)/Profit before income tax</b>	<b>(2,597)</b>	<b>959</b>	<b>NM</b>
Income tax expense	-	(207)	(100.0)
<b>(Loss)/Profit for the period</b>	<b>(2,597)</b>	<b>752</b>	<b>NM</b>
<b>Profit attributable to:</b>			
Owners of the company	(2,597)	752	NM
Non-controlling interest	-	-	NM
<b>(Loss)/Profit for the period</b>	<b>(2,597)</b>	<b>752</b>	<b>NM</b>

NM: Not Meaningful

## Consolidated Statement of Comprehensive Income

	Group		Change %
	6 months ended 30.09.2020 S\$'000	6 months ended 30.09.2019 S\$'000	
<b>(Loss)/Profit for the period</b>	<b>(2,597)</b>	<b>752</b>	<b>NM</b>
<b>Other comprehensive income:</b>			
<b><i>Items that may be reclassified subsequently to profit or loss:</i></b>			
Foreign currency translation differences for foreign operations	(1)	4	NM
Other comprehensive income for the period, net of tax	(1)	4	NM
<b>Total comprehensive income for the period</b>	<b>(2,598)</b>	<b>756</b>	<b>NM</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the company	(2,598)	756	NM
Non-controlling interest	-	-	-
<b>Total comprehensive income for the period</b>	<b>(2,598)</b>	<b>756</b>	<b>NM</b>

### 1(a)(ii) Notes to the consolidated statement of comprehensive income

The following items have been charged or (credited) in arriving at profit for the period:

	Group		Change %
	6 months ended 30.09.2020 S\$'000	6 months ended 30.09.2019 S\$'000	
Interest expense	986	1,131	(12.8)
Impairment loss on property, plant and equipment	19	-	NM
Depreciation of property, plant and equipment and right-of-use assets	6,922	7,104	(2.6)
Net exchange (gain)/loss	(160)	32	NM
Loss/(Gain) on disposal of property, plant and equipment	9	(205)	NM

NM: Not Meaningful

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	30.09.2020 S\$'000	31.03.2020 S\$'000	30.09.2020 S\$'000	31.03.2020 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	130,640	126,690	26,677	27,992
Investment property	8,750	8,750	8,000	8,000
Other investment	200	200	-	-
Subsidiaries	-	-	3,500	3,500
	<u>139,590</u>	<u>135,640</u>	<u>38,177</u>	<u>39,492</u>
<b>Current assets</b>				
Trade and other receivables	14,559	18,695	3,952	4,519
Cash and cash equivalents	9,950	6,652	574	302
	<u>24,509</u>	<u>25,347</u>	<u>4,526</u>	<u>4,821</u>
<b>Total assets</b>	<u>164,099</u>	<u>160,987</u>	<u>42,703</u>	<u>44,313</u>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	24,450	24,450	24,450	24,450
Merger reserve	(1,670)	(1,670)	-	-
Translation reserve	19	20	-	-
Retained earnings	52,776	55,373	(1,923)	(1,775)
	<u>75,575</u>	<u>78,173</u>	<u>22,527</u>	<u>22,675</u>
<b>Non-controlling interests</b>	-	-	-	-
<b>Total equity</b>	<u>75,575</u>	<u>78,173</u>	<u>22,527</u>	<u>22,675</u>
<b>Non-current liabilities</b>				
Loans and borrowings	9,271	4,625	1,394	1,587
Lease liabilities	34,062	33,336	14,993	15,447
Deferred tax liabilities	9,341	9,341	-	-
Trade and other payables	1,809	1,809	-	-
	<u>54,483</u>	<u>49,111</u>	<u>16,387</u>	<u>17,034</u>
<b>Current liabilities</b>				
Loans and borrowings	5,205	5,845	2,713	3,434
Lease liabilities	12,803	11,598	895	870
Trade and other payables	14,183	14,221	181	257
Deferred revenue	1,284	1,487	-	43
Current tax liabilities	457	543	-	-
Derivative financial instruments	109	9	-	-
	<u>34,041</u>	<u>33,703</u>	<u>3,789</u>	<u>4,604</u>
<b>Total liabilities</b>	<u>88,524</u>	<u>82,814</u>	<u>20,176</u>	<u>21,638</u>
<b>Total equity and liabilities</b>	<u>164,099</u>	<u>160,987</u>	<u>42,703</u>	<u>44,313</u>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

	<b>As at 30.09.2020</b>			<b>As at 31.03.2020</b>	
	<b>Secured (1)</b>	<b>Unsecured</b>		<b>Secured (1)</b>	<b>Unsecured</b>
	<b>S\$'000</b>	<b>S\$'000</b>		<b>S\$'000</b>	<b>S\$'000</b>
Bank loans	4,022	1,183	Bank loans	4,845	1,000
Lease liabilities	12,803*	-	Lease liabilities	11,598*	-

**Amount repayable after one year**

	<b>As at 30.09.2020</b>			<b>As at 31.03.2020</b>	
	<b>Secured (1)</b>	<b>Unsecured</b>		<b>Secured (1)</b>	<b>Unsecured</b>
	<b>S\$'000</b>	<b>S\$'000</b>		<b>S\$'000</b>	<b>S\$'000</b>
Bank loans	4,454	4,817	Bank loans	4,625	-
Lease liabilities	34,062*	-	Lease liabilities	33,336*	-

\*The lease liabilities consist of finance lease liabilities of S\$30.0 million (31.03.2020: S\$27.6 million) and lease liabilities of S\$16.9 million (31.03.2020: S\$17.3 million) which relate to right-of-use assets.

**Details of any collateral**

- 1) As at 30 September 2020, term loans payable of approximately S\$8.5 million (31.03.2020: S\$9.5 million) were secured by fixed charges over certain property, plant and equipment and investment properties of the Group with a carrying amount of approximately S\$21.1 million (31.03.2020: S\$22.7 million) and corporate guarantees executed by the Company.
- 2) The remaining secured borrowings of approximately S\$46.9 million (31.03.2020: S\$44.9 million) relate to finance lease liabilities which are secured by one or more of the following:
  - a) Certain plant & machinery of the Group with carrying value of approximately S\$52.3 million (31.03.2020: S\$48.4 million)
  - b) Corporate guarantees executed by the Company and a subsidiary.

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period**

	<b>6 months ended 30.09.2020 S\$'000</b>	<b>6 months ended 30.09.2019 S\$'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/Profit for the period	(2,597)	752
Adjustments for:		
Depreciation	6,922	7,104
Loss/(Gain) on disposal of property, plant and equipment	9	(205)
Interest income	(3)	-
Interest expense	986	1,131
Impairment loss on property, plant and equipment	19	-
Net change in fair value of financial derivatives	100	-
Income tax expense	-	207
	<u>5,436</u>	<u>8,989</u>
<b>Changes in:</b>		
Trade and other receivables	4,136	(1,387)
Trade and other payables	(3,729)	542
	<u>5,843</u>	<u>8,144</u>
Income tax paid	(86)	-
<b>Net cash from operating activities</b>	<u>5,757</u>	<u>8,144</u>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(356)	(195)
Other investment	-	(200)
Proceeds from sale of property, plant and equipment	539	205
Interest received	3	-
<b>Net cash generated from/(used in) investing activities</b>	<u>186</u>	<u>(190)</u>
<b>Cash flows from financing activities</b>		
Interest paid	(986)	(1,131)
Proceeds from loans and borrowings	9,000	3,295
Dividends paid	-	(154)
Repayment of principal amount of lease liabilities	(768)	(730)
Repayment of loans and borrowings	(4,994)	(4,290)
Repayment of finance lease liabilities	(4,899)	(5,253)
<b>Net cash used in financing activities</b>	<u>(2,647)</u>	<u>(8,263)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	3,296	(309)
Cash and cash equivalents at beginning of the period	6,652	5,777
Effect of exchange rate changes on balances held in foreign currencies	2	7
<b>Cash and cash equivalents at end of the period</b>	<u><u>9,950</u></u>	<u><u>5,475</u></u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

**Group**

	Share capital	Merger reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>At 1 April 2020</b>	24,450	(1,670)	20	55,373	78,173	-	78,173
<b>Total Comprehensive income for the period</b>							
Loss for the period	-	-	-	(2,597)	(2,597)	-	(2,597)
<b>Other comprehensive income</b>							
Translation differences relating to financial statements of foreign subsidiaries	-	-	(1)	-	(1)	-	(1)
<b>Total comprehensive income for the period</b>	-	-	(1)	(2,597)	(2,598)	-	(2,598)
<b>At 30 September 2020</b>	24,450	(1,670)	19	52,776	75,575	-	75,575

**Group**

	<b>Share capital</b>	<b>Merger reserve</b>	<b>Foreign currency translation reserve</b>	<b>Retained earnings</b>	<b>Total</b>	<b>Non-controlling interest</b>	<b>Total equity</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>At 1 April 2019</b>	24,450	(1,670)	10	63,646	86,436	(147)	86,289
<b>Total Comprehensive income for the period</b>							
Profit for the period	-	-	-	752	752	-	752
<b>Other comprehensive income</b>							
Translation differences relating to financial statements of foreign subsidiaries	-	-	4	-	4	-	4
<b>Total comprehensive income for the period</b>	-	-	4	752	756	-	756
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Dividends	-	-	-	(154)	(154)	-	(154)
<b>At 30 September 2019</b>	<b>24,450</b>	<b>(1,670)</b>	<b>14</b>	<b>64,244</b>	<b>87,038</b>	<b>(147)</b>	<b>86,891</b>

**Company**

	<b>Share capital S\$'000</b>	<b>Retained Earnings S\$'000</b>	<b>Total attributable to equity holders of the Company S\$'000</b>
<b>At 1 April 2020</b>	24,450	(1,775)	22,675
<b>Total comprehensive income for the period</b>			
Loss for the period	-	(148)	(148)
<b>Total comprehensive income for the period</b>	-	(148)	(148)
<b>At 30 September 2020</b>	<u>24,450</u>	<u>(1,923)</u>	<u>22,527</u>
<b>At 1 April 2019</b>	24,450	679	25,129
<b>Total comprehensive income for the period</b>			
Loss for the period	-	(383)	(383)
<b>Total comprehensive income for the period</b>	-	(383)	(383)
<b>Transactions with owners, recognised directly in equity</b>			
<b>Contributions by and distributions to owners</b>			
Dividends	-	(154)	(154)
<b>At 30 September 2019</b>	<u>24,450</u>	<u>142</u>	<u>24,592</u>



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no changes in the Company's share capital for the six-month period ended 30 September 2020 since 31 March 2020.

As at 30 September 2019 and 30 September 2020, the Company did not have any outstanding convertibles, treasury shares or subsidiary holdings.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>30.09.2020</b> <b>No. of shares</b>	<b>31.03.2020</b> <b>No. of shares</b>
Total number of issued shares (excluding treasury shares) of the Company	308,065,282	308,065,282

The Company had no treasury shares as at 30 September 2020 and 31 March 2020.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable as the Company does not have any treasury shares.

**1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as the Company does not have any subsidiary holdings.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by the Company's independent auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the financial year ended 31 March 2020.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable as there are no changes to the accounting policies or methods adopted by the Group since its most recently audited financial year ended 31 March 2020.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	6 months ended 30.09.2020	6 months ended 30.09.2019
	(cents)	(cents)
Earnings per ordinary share of the group, after deducting any provision for preference dividends (in cents):		
(a) Based on weighted average number of ordinary shares in issue	(0.84)	0.24
(b) On a fully diluted basis	(0.84)	0.24

Basic earnings per share and fully diluted earnings per share for the six-month period ended 30 September 2020 were computed based on net loss attributable to shareholders of S\$2,597,035 (30 September 2019 net profit: S\$752,041) and weighted average number of shares of 308,065,282 (30 September 2019: 308,065,282) respectively.

**7. Net asset value (for the issuer and group) per ordinary share based on the number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

	Group		Company	
	30.09.2020 (cents)	31.03.2020 (cents)	30.09.2020 (cents)	31.03.2020 (cents)
Net asset value per ordinary share based on issued share capital at the end of the period	24.53	25.38	7.31	7.36

As at 30 September 2020, the number of issued ordinary shares is 308,065,282 (31 March 2020: 308,065,282).

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

**Review of Group Performance**

**Revenue**

Revenue decreased by approximately S\$10.8 million or 36.9% from approximately S\$29.3 million for the six months ended 30 September 2019 ("HY2020") to approximately S\$18.5 million for the six months ended 30 September 2020 ("HY2021"). The decrease was mainly due to decrease in lifting and haulage services segment with temporary suspension and delay in business activities due to Covid-19 pandemic in the HY2021.

### Lifting and haulage services

Lifting and haulage services revenue decreased by approximately S\$11.5 million or 57.4% from approximately S\$20.1 million in HY2020 to approximately S\$8.6 million in HY2021. The decrease was mainly due to the various restrictions on operations imposed arising from the Covid-19 pandemic, which led to a decrease in utilisation rates of this business segment.

### Port services

Port services revenue increased by approximately S\$0.2 million or 2.2% from S\$9.3 million in HY2020 to S\$9.5 million in HY2021. The increase was mainly due to higher demand for manpower services at the PSA port.

### Trading business

Trading income of S\$0.5 million in HY2021 relates to trading of cranes. There was no trading income in HY2020.

## **Cost of sales and gross (loss)/profit**

Cost of sales decreased by approximately S\$3.0 million or 12.3% from approximately S\$24.3 million for HY2020 to approximately S\$21.3 million for HY2021, mainly due to lower variable salary-related costs of approximately S\$1.7 million, lower crane rental expenses of approximately S\$0.8 million, lower maintenance expenses of approximately S\$0.4 million, lower fuel expenses of approximately S\$0.3 million and lower depreciation of approximately S\$0.2 million. There was also crane purchase of approximately S\$0.4 million for trading purpose in HY2021 but none in HY2020.

Gross loss of approximately S\$2.8 million was incurred for HY2021 as compared to gross profit of approximately S\$5.1 million (representing a gross profit margin of 17.1%) for HY2020. The gross loss in HY2021 was significantly due to the fixed cost components in the cost of sales such as depreciation of approximately S\$6.7 million (HY2020: S\$6.8 million) and workers salary and related costs of approximately S\$10.5 million (HY2020: S\$11.1 million) which the Group is required to continue to absorb notwithstanding the substantial decline in the utilisation rate of the lifting and haulage equipment as a result of the circuit breaker measures and the restriction on manpower in the midst of the COVID-19 pandemic.

## **Other income**

Other income increased by approximately S\$3.6 million or 310.4% from S\$1.2 million for HY2020 to S\$4.8 million for HY2021, mainly due to an increase in government grants such as jobs support scheme of approximately S\$2.6 million, foreign worker levy rebate of approximately S\$0.9 million, cash grant and rental waiver of approximately S\$0.1 million.

## **Distribution expenses**

Distribution expenses decreased by approximately S\$69,000 or 63.9% from approximately S\$108,000 for HY2020 to approximately S\$39,000 for HY2021, mainly due to lower entertainment expenses of approximately S\$43,000, lower advertisement expenses of S\$15,000 and lower commission expenses of approximately S\$11,000.

## **Administrative expenses**

Administrative expenses decreased by S\$0.3 million or 8.8% from S\$3.9 million for HY2020 to S\$3.6 million for HY2021. The decrease was mainly due to a decrease in staff costs of approximately S\$0.4 million and parking expenses of approximately S\$0.1 million. This was partly offset by a higher staff training and welfare expenses of approximately S\$0.2 million.

## **Net Finance costs**

Net finance costs decreased by S\$0.3 million or 19.3% from S\$1.2 million for HY2020 to S\$0.9 million for HY2021. The decrease was mainly due to lower interest expenses of S\$0.1 million, higher net exchange gain of approximately S\$0.1 million and net change in fair value of financial derivatives of approximately S\$0.1 million.

## **Income tax**

There was no provision of income tax expenses due to the loss position for HY2021. In HY2020, income tax expense was approximately S\$0.2 million.

## **Loss for the period**

The group incurred a net loss of S\$2.6 million for HY2021 as a result of the reasons explained in the preceding paragraphs.

## **Review of Financial Position**

### **Non-Current Assets**

The Group's non-current assets as at 30 September 2020 amounted to S\$139.6 million or 85.1% of total assets of S\$164.1 million. The increase in non-current assets of S\$3.9 million or 2.9% compared to as at 31 March 2020 was due to addition of new equipment and right-of-use assets of approximately S\$ 11.4 million which was partially offset by depreciation charge of approximately S\$6.9 million and disposal of equipment of approximately S\$0.6 million.

### **Current Assets**

As at 30 September 2020, the Group's current assets amounted to S\$24.5 million or 14.9% of total assets of S\$164.1 million.

The decrease in current assets of S\$0.8 million or 3.3% compared to as at 31 March 2020 was mainly due to a decrease in trade and other receivables of approximately S\$4.1 million. This was partly offset by an increase in cash and cash equivalents of S\$3.3 million.

### **Non-Current Liabilities**

As at 30 September 2020, the Group's non-current liabilities amounted to S\$54.5 million or 61.5% of total liabilities of S\$88.5 million. The increase in non-current liabilities of S\$5.3 million or 10.9% compared to as at 31 March 2020 was mainly due to an increase in loans and borrowings of approximately S\$4.6 million and lease liabilities of S\$0.7 million.

### **Current Liabilities**

As at 30 September 2020, the Group's current liabilities amounted to S\$34.0 million 38.5% of total liabilities of S\$88.5 million. The increase in current liabilities of S\$0.3 million or 1.0% compared to as at 31 March 2020 was due to an increase in lease liabilities of S\$1.2 million. This was partly offset by a decrease in loans and borrowings of S\$0.6 million, decrease in deferred revenue of approximately S\$0.2 million and decrease in derivative financial instruments of approximately S\$0.1 million.

The Group's net current liabilities increased from S\$8.4 million as at 31 March 2020 to S\$9.8 million as at 30 September 2020. However, the net current liabilities will be reduced upon conversion of S\$6.9 million of current trade payable relating to the purchase of cranes to hire purchase financing when it is due.

## **Review of Cash flow Statement**

The Group's net cash from operating activities for HY2021 decreased by S\$2.4 million as compared to HY2020 mainly due to lower operating profit before working capital changes of S\$3.6 million. This was partly offset by a higher net working capital inflow of S\$1.2 million.

The Group's net cash generated from investing activities for HY2021 increased by S\$0.3 million as compared to HY2020. This was mainly due to an increase in proceeds from sale of property, plant and equipment of approximately S\$0.3 million and the absence of investment of approximately S\$0.2 million in HY2021. This was partly offset by an increase in acquisition of property, plant and equipment of approximately S\$0.2 million.

The Group's net cash used in financing activities for HY2021 decreased by S\$5.6 million compared to HY2020. This was mainly due to an increase in proceeds from loans and borrowings of approximately S\$5.7 million, decrease in interest paid of approximately S\$0.1 million and the absence of any dividends. This was partly offset by an increase in repayment of finance lease liabilities, loans and borrowings of approximately S\$0.3 million.

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

The financial results of the Group for HY2021 was principally in line with the commentary stated in paragraph 10 of the previous result announcement of the Group for the financial year ended 31 March 2020 dated 30 July 2020.

**10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

Although there is a gradual easing of the circuit breaker measures in June 2020, the COVID-19 pandemic continues to bring economic uncertainty in the lifting and haulage services segment of Singapore.

However, the Group remains cautious on the outlook of Malaysia lifting and haulage services following the reintroduction of the Conditional Movement Control Order ("CMCO") by the Malaysia government.

The business outlook for the next 6 to 12 months of the segment is expected to remain uncertain due to the pandemic. The group's performance for the period will continue to face challenges and be dependent on factors such as the duration of control measures and economic recovery.

As for the Port Services business, the Group does not expect any material impact from the COVID-19 pandemic on this segment.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

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

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

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**(e) Books closure date**

Not applicable

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

No interim dividend has been declared as the Group is loss-making in HY2021.

**13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate from shareholders for interested person transactions.

**14. Confirmation by Directors pursuant to Rule 705(5) of the Catalist Rules**

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of the Group for the six-month financial period ended 30 September 2020 to be false or misleading in any material respect.

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

The Company hereby confirms that it has already procured undertakings from all its Directors and executive officers in the format as set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

**BY ORDER OF THE BOARD**

**Ong Lim Wan @ Ong Teck Meng**  
Executive Chairman and Chief Executive Officer

**Ong Boon Tat**  
Executive Director

**10 November 2020**

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*This document has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. This document has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The contact persons for the Sponsor are Mr Yee Chia Hsing, Head, Catalist, Investment Banking and Mr Ken Lee, Associate Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.*