CHASEN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
Company registration number: 199906814G

FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL ENDED 31 MARCH 2020

PART I - INFORMATION REQUIRED FOR ANNOUCEMENTS OF FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		
	Financial year ended		
	31-Mar-20 S$'000	31-Mar-19 S$'000	Change %
Revenue	**100,957**	**131,880**	**-23%**
Cost of sales	(88,948)	(99,762)	-11%
Gross profit	**12,009**	**32,118**	**-63%**
Other operating income	2,822	2,371	19%
Distribution and selling expenses	(5,733)	(8,115)	-29%
Administrative expenses	(15,066)	(15,878)	-5%
Other operating expenses	(7,020)	(1,674)	N.M.
Finance expenses	(2,333)	(1,570)	49%
(Loss) / profit before income tax	**(15,321)**	**7,252**	**N.M.**
Income tax credit / (expense)	77	(2,452)	N.M.
Net (loss) / profit for the financial year	**(15,244)**	**4,800**	**N.M.**
(Loss) / profit attributable to:			
Equity holders of the Company	(15,477)	5,374	N.M.
Non-controlling interests	233	(574)	N.M.
Net (loss) / profit for the financial year	**(15,244)**	**4,800**	**N.M.**

Note:
N.M. - Not meaningful

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1(a)(ii) A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

	Group		
	Financial year ended		
	31-Mar-20 S$'000	31-Mar-19 S$'000	Change %
Net (loss) / profit for the financial year	**(15,244)**	**4,800**	**N.M.**
Other comprehensive (loss) / income:			
(Loss) / gain on fair value changes of other investments	(61)	51	N.M.
Exchange differences on translating foreign operations	85	(741)	N.M.
Other comprehensive income / (loss) for the financial year, net of tax	**24**	**(690)**	**N.M.**
Total comprehensive (loss) / income for the financial year	**(15,220)**	**4,110**	**N.M.**
Total comprehensive (loss) / income attributable to:			
Owners of the Company	(15,497)	4,717	N.M.
Non-controlling interests	277	(607)	N.M.
Total comprehensive (loss) / income for the financial year	**(15,220)**	**4,110**	**N.M.**

Note:
N.M. - Not meaningful

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1(a)(iii) Profit before income tax is arrived at after charging/(crediting) the following:

	Group		
	Financial year ended		
	31-Mar-20 S$'000	31-Mar-19 S$'000	Change %
Allowance for doubtful trade receivables	4,494	258	N.M.
Allowance for doubtful other receivables	1,250	-	N.M.
Amortisation of club membership	1	1	0%
Amortisation of land use rights	18	19	-5%
Bad debts written-off (trade)	73	338	-78%
Bad debts written-off (non trade)	-	34	-100%
Depreciation of property, plant and equipment	11,870	6,254	90%
Contract assets written off	259	-	N.M.
Fair value loss on investment property	50	50	0%
Finance expenses	2,333	1,570	49%
Gain on remeasurement on operating lease liabilities	(26)	-	N.M.
Interest income	(159)	(104)	53%
Net gain on disposal of plant and equipment	(293)	(69)	N.M.
Reversal of provision	(19)	(647)	-97%
Realised foreign exchange loss	33	97	-66%
Unrealised foreign exchange (gain) / loss	(396)	217	N.M.
Write back of allowance for doubtful trade receivables	-	(1)	-100%

Note:
N.M. - Not meaningful

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

Statements of Financial Position

	Group		Company	
	As at 31-Mar-20 S$'000	As at 31-Mar-19 S$'000	As at 31-Mar-20 S$'000	As at 31-Mar-19 S$'000
ASSETS				
Non-current assets				
Investment properties	850	900	6,100	6,300
Property, plant and equipment	49,253	40,519	624	-
Investment in subsidiaries	-	-	37,150	38,150
Investment in associate	-	-	-	-
Goodwill on consolidation	10,559	10,559	-	-
Intangible assets	-	-	-	-
Land use rights	908	916	-	-
Club membership	3	4	-	-
Other investments	5,155	5,216	523	584
Other receivables, deposits and prepayments	358	1,060	-	-
Deferred tax assets	1,264	1,101	-	-
	68,350	**60,275**	**44,397**	**45,034**
Current assets				
Inventories	5,929	4,644	-	-
Contract assets	784	1,698	-	-
Trade receivables	35,254	40,274	-	-
Other receivables, deposits and prepayments	18,939	15,674	60	27
Amount due from subsidiaries	-	-	49,382	48,894
Cash and cash equivalents	7,695	13,362	307	898
	68,601	**75,652**	**49,749**	**49,819**
Total assets	**136,951**	**135,927**	**94,146**	**94,853**
EQUITY AND LIABILITIES				
Equity				
Share capital	53,086	53,086	82,614	82,614
Treasury shares	(145)	(145)	(145)	(145)
Other reserves	(6,354)	(6,303)	(4,597)	(4,536)
Retained earnings	7,267	23,905	3,371	7,363
Equity attributable to owners of the Company	**53,854**	**70,543**	**81,243**	**85,296**
Non-controlling interests	4,368	4,665	-	-
Total equity	**58,222**	**75,208**	**81,243**	**85,296**

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Statements of Financial Position (Cont'd)

	Group		Company	
	As at 31-Mar-20 S$'000	As at 31-Mar-19 S$'000	As at 31-Mar-20 S$'000	As at 31-Mar-19 S$'000
Non-current liabilities				
Bank loans	5,569	4,954	4,249	3,267
Lease liabilities	7,183	1,850	612	-
Deferred tax liabilities	1,145	1,590	-	-
	13,897	**8,394**	**4,861**	**3,267**
Current liabilities				
Contract liabilities	-	88	-	-
Bank loans	38,155	28,460	7,543	5,786
Lease liabilities	6,182	1,663	21	-
Trade payables	12,261	12,669	-	-
Other payables and accruals	7,936	8,430	478	504
Provision	-	19	-	-
Income tax payable	298	996	-	-
	64,832	**52,325**	**8,042**	**6,290**
Total liabilities	**78,729**	**60,719**	**12,903**	**9,557**
Total equity and liabilities	**136,951**	**135,927**	**94,146**	**94,853**

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1(b)(ii) In relation to the aggregate amount of group's borrowing and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

(A) the amount repayable in one year or less, or on demand;
(B) the amount repayable after one year;
(C) whether the amounts are secured or unsecured; and
(D) details of any collaterals.

The Group's borrowings (including lease liabilities*) are as follows:

	As at 31-Mar-20		As at 31-Mar-19	
	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
Amount repayable in one year or less, or on demand	33,566	10,771	17,538	12,585
Amount repayable after one year	12,550	202	6,343	461
Total	**46,116**	**10,973**	**23,881**	**13,046**

Details of collateral

The banking facilities are secured by the following collaterals:

(a) legal mortgage of the Group's investment property and leasehold buildings;
(b) pledge of fixed deposits amounting to $1.9 million (31 March 2019: $1.3 million); and
(c) assignment of contract proceeds from specific projects undertaken by certain subsidiaries.

In addition, the banking facilities are secured by:

(a) corporate guarantee by the Company and/or a subsidiary; and
(b) personal guarantee from directors of certain subsidiaries that are not wholly-owned by the Group.

* The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases and the effect on lease obligation recognition was $9.3 million as at 31 March 2020.

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

Consolidated Statement of Cash Flows

	Group	
	Financial year ended	
	31-Mar-20	31-Mar-19
	S$'000	S$'000
Operating activities		
(Loss) / profit before income tax	**(15,321)**	**7,252**
Adjustments for:		
Allowance for doubtful trade receivables	4,494	258
Allowance for doubtful other receivables	1,250	-
Amortisation of club membership	1	1
Amortisation of land use rights	18	19
Bad debts written-off (trade)	73	338
Bad debts written-off (non trade)	-	34
Contract assets written off	259	-
Depreciation of property, plant and equipment	11,870	6,254
Gain on remeasurement on operating lease liabilities	(26)	-
Fair value loss on investment property	50	50
Finance expenses	2,333	1,570
Interest income	(159)	(104)
Net gain on disposal of plant and equipment	(293)	(69)
Reversal of provision	(19)	(647)
Write back of allowance for doubtful trade receivables	-	(1)
Operating cash flows before working capital changes	**4,530**	**14,955**
Movement in working capital:		
Inventories	(1,285)	431
Contract assets and liabilities	567	(1,464)
Trade and other receivables	(3,360)	1,559
Trade and other payables	(902)	(1,662)
Cash (used in) / generated from operations	**(450)**	**13,819**
Income tax paid	(1,233)	(852)
Net cash (used in) / generated from operating activities	**(1,683)**	**12,967**

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Consolidated Statement of Cash Flows (Cont'd)

	Group	
	Financial year ended	
	31-Mar-20 S$'000	31-Mar-19 S$'000
Investing activities		
Acquisition of a subsidiary without change of control	(124)	(384)
Additional capital investment by non-controlling interests	73	-
Advance receipt from proposed disposal of financial assets measured at fair value through other comprehensive income	-	504
Interest received	159	104
Proceeds from disposal of a subsidiary without change of control	-	34
Proceeds from disposal of plant and equipment	715	791
Purchase of property, plant and equipment	(3,118)	(8,446)
Effect of foreign currency re-alignment on investing activities	691	(576)
Net cash flows used in investing activities	**(1,604)**	**(7,973)**
Financing activities		
Dividend paid to equity holders	(1,161)	(1,548)
Dividend paid to non-controlling interests	(554)	-
Interest paid	(2,333)	(1,570)
Proceeds from bank loans	59,141	45,932
Repayment of bank loans	(49,785)	(42,965)
Repayment of lease liabilities (31 March 2019: Repayment of finance lease liabilities)	(7,950)	(2,292)
(Pledge) / release of pledged fixed deposits with banks	(645)	448
Net cash flows used in financing activities	**(3,287)**	**(1,995)**
Net (decrease) / increase in cash and cash equivalents	**(6,574)**	**2,999**
Effects of exchange rates changes on cash and cash equivalents	262	(8)
Cash and cash equivalents as at beginning of the financial year	12,084	9,093
Cash and cash equivalents as at end of the financial year	**5,772**	**12,084**

Cash and cash equivalents included in the Consolidated Statement of Cash Flows comprise the following amounts:

	Group	
	Financial year ended	
	31-Mar-20 S$'000	31-Mar-19 S$'000
Cash and bank balances	5,440	9,382
Fixed deposits	2,255	3,980
	7,695	13,362
Fixed deposits pledged	(1,923)	(1,278)
Cash and cash equivalents	**5,772**	**12,084**

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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

Statements of Changes in Equity		← Attributable to owners of the Company						→		
	Total equity	Total	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Foreign currency translation reserve	Fair value adjustment reserve	Non-controlling interests
Group	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Balance as at 1 April 2019	**75,208**	**70,543**	**53,086**	**(145)**	**23,905**	**(6,303)**	**(530)**	**(1,137)**	**(4,636)**	**4,665**
(Loss) / profit for the financial year	**(15,244)**	**(15,477)**	-	-	**(15,477)**	**-**	-	-	-	**233**
Other comprehensive income / (loss) for the financial year										
Exchange differences on translating foreign operations	**85**	**41**	-	-	-	**41**	-	41	-	**44**
Decrease in fair value of other investments	**(61)**	**(61)**	-	-	-	**(61)**	-	-	(61)	**-**
Other comprehensive income / (loss) for the financial year, net of tax	**24**	**(20)**	-	-	-	**(20)**	-	41	(61)	**44**
Total comprehensive (loss) / income for the financial year	**(15,220)**	**(15,497)**	**-**	**-**	**(15,477)**	**(20)**	**-**	**41**	**(61)**	**277**
Contributions by and distributions to owners										
Dividend paid	**(1,715)**	**(1,161)**	-	-	(1,161)	**-**	-	-	-	**(554)**
Total contributions by and distributions to owners	**(1,715)**	**(1,161)**	**-**	**-**	**(1,161)**	**-**	**-**	**-**	**-**	**(554)**
Changes in ownership interest in subsidiary										
Acquisition of a subsidiary without change of control	**(124)**	**(31)**	-	-	-	**(31)**	(30)	(1)	-	**(93)**
Total changes in ownership interest in subsidiary	**(124)**	**(31)**	**-**	**-**	**-**	**(31)**	**(30)**	**(1)**	**-**	**(93)**
Transaction with non-controlling interests										
Additional capital investment by non-controlling interests	**73**	**-**	-	-	-	**-**	-	-	-	**73**
Total transaction with non-controlling interests	**73**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**73**
Balance as at 31 March 2020	**58,222**	**53,854**	**53,086**	**(145)**	**7,267**	**(6,354)**	**(560)**	**(1,097)**	**(4,697)**	**4,368**

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Statements of Changes in Equity (Cont'd)

		← Attributable to owners of the Company →								
	Total equity	Total	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Foreign currency translation reserve	Fair value adjustment reserve	Non-controlling interests
Group	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Balance as at 1 April 2018, as previously reported	**73,944**	**70,142**	**52,798**	**(145)**	**20,757**	**(3,268)**	**1,848**	**(429)**	**(4,687)**	**3,802**
Effect of adoption of SFRS(I) 15	(833)	(678)	-	-	(678)	-	-	-	-	(155)
Balance as at 1 April 2018, as restated	**73,111**	**69,464**	**52,798**	**(145)**	**20,079**	**(3,268)**	**1,848**	**(429)**	**(4,687)**	**3,647**
Profit / (loss) for the financial year	**4,800**	**5,374**	-	-	5,374	-	-	-	-	**(574)**
Other comprehensive (loss) / income for the financial year										
Exchange differences on translating foreign operations	**(741)**	**(708)**	-	-	-	**(708)**	-	(708)	-	**(33)**
Decrease in fair value of other investments	**51**	**51**	-	-	-	**51**	-	-	51	-
Other comprehensive (loss) / income for the financial year, net of tax	**(690)**	**(657)**	-	-	-	**(657)**	-	(708)	51	**(33)**
Total comprehensive income / (loss) for the financial year	**4,110**	**4,717**	-	-	**5,374**	**(657)**	-	**(708)**	**51**	**(607)**
Contributions by and distributions to owners										
Shares issued pursuant to acquisition of subsidiary without change of control	**288**	**288**	288	-	-	-	-	-	-	-
Dividend paid	**(1,663)**	**(1,548)**	-	-	(1,548)	-	-	-	-	**(115)**
Total contributions by and distributions to owners	**(1,375)**	**(1,260)**	**288**	-	**(1,548)**	-	-	-	-	**(115)**
Changes in ownership interest in subsidiary										
Acquisition of a subsidiary without change of control	**(672)**	**(2,030)**	-	-	-	**(2,030)**	(2,030)	-	-	**1,358**
Disposal of a subsidiary without change of control	**34**	**(348)**	-	-	-	**(348)**	(348)	-	-	**382**
Total changes in ownership interests in subsidiaries	**(638)**	**(2,378)**	-	-	-	**(2,378)**	**(2,378)**	-	-	**1,740**
Balance as at 31 March 2019	**75,208**	**70,543**	**53,086**	**(145)**	**23,905**	**(6,303)**	**(530)**	**(1,137)**	**(4,636)**	**4,665**

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Statements of Changes in Equity (Cont'd)

Company	Total equity	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Fair value adjustment reserve
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 April 2019	**85,296**	**82,614**	**(145)**	**7,363**	**(4,536)**	**100**	**(4,636)**
Loss for the financial year	**(2,831)**	-	-	(2,831)	-	-	-
Other comprehensive loss for the financial year							
Decrease in fair value of other investments	**(61)**	-	-	-	**(61)**	-	(61)
Other comprehensive loss for the financial year, net of tax	**(61)**	-	-	-	**(61)**	-	**(61)**
Total comprehensive loss for the financial year	**(2,892)**	-	-	**(2,831)**	**(61)**	-	**(61)**
Contributions by and distributions to owners							
Dividend paid	**(1,161)**	-	-	(1,161)	-	-	-
Total contributions by and distributions to owners	**(1,161)**	-	-	**(1,161)**	-	-	-
Balance as at 31 March 2020	**81,243**	**82,614**	**(145)**	**3,371**	**(4,597)**	**100**	**(4,697)**

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Statements of Changes in Equity (Cont'd)

Company	Total equity	Share capital	Treasury shares	Retained profits	Other reserves, Total	Capital reserve	Fair value adjustment reserve
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance as at 1 April 2018	**82,232**	**82,326**	**(145)**	**4,638**	**(4,587)**	**100**	**(4,687)**
Profit for the financial year	**4,273**	-	-	4,273	**-**	-	-
Other comprehensive income for the financial year							
Increase in fair value of financial assets measured at fair value through other comprehensive income	**51**	-	-	-	**51**	-	51
Other comprehensive income for the financial year, net of tax	**51**	**-**	**-**	**-**	**51**	**-**	**51**
Total comprehensive income for the financial year	**4,324**	**-**	**-**	**4,273**	**51**	**-**	**51**
Contributions by and distributions to owners							
Shares issued pursuant to acquisition of subsidiary without change of control	**288**	288	-	-	**-**	-	-
Dividend paid	**(1,548)**	-	-	(1,548)	**-**	-	-
Total contributions by and distributions to owners	**(1,260)**	**288**	**-**	**(1,548)**	**-**	**-**	**-**
Balance as at 31 March 2019	**85,296**	**82,614**	**(145)**	**7,363**	**(4,536)**	**100**	**(4,636)**

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1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.

Chasen Performance Share Plan 2017

At the Extraordinary General Meeting of the Company held on 28 July 2017, the shareholders of the Company approved the adoption of the Chasen Performance Share Plan 2017 (the "CPSP").

No share was granted under CPSP as at 31 March 2020 and 31 March 2019.

The details of change of the Company's share capital are summarised as below:

	No. of shares	
	FY2020	FY2019
Issued and paid up capital excluding treasury share		
As at 1 October and 31 March	**387,026,748**	**387,026,748**
Treasury shares		
As at 1 October and 31 March	**1,841,107**	**1,841,107**

As at 31 March 2020, the number of treasury shares represented 0.48% (31 March 2019: 0.48%) of the total number of issued and paid up shares of the Company.

The Company has no subsidiary holdings as at 31 March 2020 and 31 March 2019.

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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.

	As at	
	31-Mar-20	**31-Mar-19**
Total number of issued shares	388,867,855	388,867,855
Less: Treasury shares	(1,841,107)	(1,841,107)
Total number of issued shares excluding treasury shares	**387,026,748**	**387,026,748**

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

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

There were no sales, transfers, disposal, cancellation and/or use of subsidiary holdings during the current financial period reported on.

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

The figures have not been audited nor reviewed by the Company's auditors.

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

Not applicable.

3A 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.

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

The Group has applied the same accounting policies and method of computation in the current quarter's financial statements as those of the previous audited financial statements except as stated in paragraph 5 below.

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.

Changes in accounting policies

The Group has adopted the new or revised Singapore Financial Reporting Standards (International) ("SFRS(I)s") that are effective for annual periods beginning on or after 1 April 2019. Changes to the Group's accounting policies have been made (if any), in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The adoption of these new or revised SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years, except for the following:

Adoption of SFRS(I) 16

The Group has adopted the new SFRS(I) 16 Leases using the modified retrospective approach. SFRS(I) 16 introduces a single, on-balance sheet lease accounting model. It requires a lessee to recognise a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

With the adoption of SFRS(I) 16, the Group has applied the practical expedient to recognise the amount of right-of-use assets equal to the lease liabilities as at 1 April 2019. Subsequent to initial recognition, the Group depreciates the right-of-use assets over the lease term, and recognise interest expenses on the lease liabilities. As at 31 March 2020, the Group has recorded a right-of-use assets of $9.0 million, which has been included in the property, plant and equipment, and a corresponding lease liabilities of $9.3 million.

Changes in accounting estimates

Prior to financial year 2019, the useful life for certain motor vehicles and tools and equipment of the Group was estimated ranging from 5 to 6 years. The Group has reviewed and adjusted the useful lives of such assets to 10 years to reflect the present status and expected future benefits of such assets. This represents a change in an accounting estimate, which pursuant to *SFRS(1) 1-8 Accounting Policies, Changes in Accounting Estimates and Errors* is to be performed prospectively in the current financial year without restatement of the comparative figures for previous years. The change of the estimated useful lives for such assets has resulted in a decrease in depreciation expense of $0.4 million for the financial year ended 31 March 2020.

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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.

(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

Earnings per share ("EPS")

	Group Financial year ended 31-Mar-20	31-Mar-19
EPS based on average number of shares (cents)	(4.00)	1.39
EPS based on a fully diluted basis (cents)	(4.00)	1.39
Weighted average number of shares ('000)	387,027	385,795
Weighted average number of shares - diluted ('000)	387,027	385,795

The basic and diluted EPS were the same for the both financial periods as there were no potentially dilutive ordinary securities existing during both financial periods.

7 Net asset value (for the issuer and group) per ordinary share based on the total 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.

Net asset value ("NAV")

	Group As at 31-Mar-20	31-Mar-19
Net asset value per share (cents) based on the total number of issued shares excluding treasury shares	13.9	18.2
Total number of issued shares excluding treasury shares ('000)	387,027	387,027

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8 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.

A) Consolidated Income Statement

i) Revenue

The Group's revenue for the financial year ended 31 March 2020 ("FY2020") was $30.9 million (or 23%) lower than last year mainly due to lower revenue recognised by the Specialist Relocation Business Segment ("Specialist Relocation") and the Technical and Engineering Business Segment ("T&E"), offset by higher revenue from the Third Party Logistics Business Segment ("3PL"). The COVID-19 pandemic which broke out in the last quarter of FY2020 ("Q4FY2020") significantly affected the Group's revenue in China as projects were delayed.

ii) Gross profit and gross profit margin

The Group's gross profit of $12.0 million was lower than last year by $20.1 million (or 63%) due to lower revenue and the impact of COVID-19 on China subsidiaries in Q4FY2020 where fixed costs were incurred without corresponding revenue. Depreciation increased by $5.6 million due to recognition of depreciation on right-of-use assets as the Group adopted the new accounting standard, SFRS (I) 16 to recognise assets on operating lease with effect from 1 April 2019. This increase in depreciation of right-of-use assets was offset by the decrease in operating lease expenses. Correspondingly, the gross profit margin of 12% was lower than last year's 24%.

iii) Other operating income

The Group's other operating income of $2.8 million was higher than last year by $0.5 million (19%) mainly due to higher foreign exchange gain.

iv) Distribution and selling expenses

The Group's distribution and selling expenses of $5.7 million was lower than last year by $2.4 million (or 29%) as a result of cost control measures. As a percentage of revenue, the Group's distribution and selling expenses decreased by 0.5% to 5.7% as compared to last year.

v) Administrative expenses

The Group's administrative expenses of $15.1 million was lower than last year by $0.8 million (or 5%) mainly due to lower payroll cost and depreciation expenses offset by higher professional expenses incurred in preparing a subsidiary for a public listing.

vi) Other operating expenses

The Group's other operating expenses increased by $5.3 million as compared to last year mainly due to substantially higher provision for doubtful debts in the T&E Business Segment after prudent assessment of the collectability of receivables under current economic condition caused by the pandemic.

vii) Profit before income tax

As a result of the above stated provisions arising from the COVID-19 effect on the regional economies affecting the Group operations since the last quarter of FY2020, the Group recorded loss before income tax of $15.3 million for the FY2020 as compared to last year's profit before income tax of $7.3 million.

viii) Income tax expense

The income tax credit for FY2020 of $0.1 million as compared to last year's income tax expense of $2.5 million was mainly due to lower income tax expense and recognition of deferred tax income for the financial year.

ix) Profit after income tax

As a result, the Group recognised a loss after income tax for FY2020 of $15.2 million as compared with last year's profit of $4.8 million.

B) <u>Statements of Financial Position</u>

i) Property, plant and equipment

The increase in net book value of $8.7 million was mainly due to capital expenditure incurred and recognition of right-of-use assets offset by depreciation charged during the financial year.

Right-of-use assets refer to assets recognised on operating leases for the Group as lessee, in accordance to SFRS(I) 16 adopted on 1 April 2019. The Group had recorded the right-of-use assets of $9.0 million as at 31 March 2020.

ii) Other receivables, deposits and prepayments, non-current

The decrease in other receivables, deposits and prepayments was due to provision for doubtful debt for other receivable in T&E Business Segment.

iii) Inventories

The increase in inventories of $1.3 million was mainly due to higher book orders as compared to last year.

iv) Contract assets and liabilities

The net decrease in contract assets and liabilities of $0.9 million was mainly due to fulfilment of customers' orders in the T&E Business Segment in Singapore.

v) Trade receivables

The decrease in trade receivables of $5.0 million was mainly due to provision for doubtful debt for certain trade receivables in the T&E Business Segment in response to COVID-19 situation.

vi) Other receivables , deposits and prepayments, current

The increase in other receivables, deposits and prepayments of $3.3 million was due to increase in deposits, prepayments and receivable from government grants.

vii) Bank loans

The increase in bank loans of $10.3 million was due to proceeds from new credit facilities offset by repayments of bank loans.

viii) Lease liabilities

As at 31 March 2020, lease liabilities comprise operating lease liabilities of $9.3 million (31 March 2019: Nil) in accordance with the adoption of SFRS(I) 16 and finance lease liabilities of $4.1 million (31 March 2019: $3.5 million). These lease liabilities refer to the Group's obligation to make lease payments for the right-of-use assets as per point (i) above and the property, plant and equipment under the finance lease arrangement.

The increase in lease liabilities of $9.9 million was mainly due to recognition of the operating lease liabilities of the right-of-use assets of $9.3 million as well as proceeds from new finance lease arrangement offset by repayment of finance lease liabilities of $0.6 million.

ix) Other payables and accruals

The decrease in other payables and accruals of $0.5 million was mainly due to decrease in other payables.

C) Consolidated Statement of Cash Flows

The net cash used in operating activities for FY2020 of $1.7 million was a reversal of last year's net cash generated from operating activities of $13.0 million. This was mainly due to lower operating cash flows and changes in working capital which resulted in higher net cash outflows from operating activities during the financial year.

The net cash used in investing activities for FY2020 of $1.6 million was lower than last year by $6.4 million. This was mainly due to lower purchase of plant and equipment during the financial year as compared to last year.

The net cash flows used in financing activities of $3.3 million was higher than last year by $1.3 million. This was mainly due to higher repayment of bank loans and lease liabilities offset by higher proceeds from bank loans, pledging of fixed deposits with banks and payment of dividend to non-controlling interest of a subsidiary and interest expense.

Overall, the Group's cash and cash equivalent as at 31 March 2020 of $5.8 million was lower by $6.3 million as compared to 31 March 2019.

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

The results are consistent with the profit guidance announcement which was released on 1 July 2020.

10 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 reporting period and the next 12 months.

A slowdown in global growth underpinned by a slowing PRC economy combined with the onset of the coronavirus pandemic has compounded the challenges to businesses in the countries where the Group operates. Complete lockdowns of economies to control the rate of infection has hobbled demand and restricted revenues streams. The difficulty in eradicating the health threat is indicative of much uncertainties in its impact on the global economy in the months ahead.

The Group is cautious but prepared to face uncertainties given the strong business franchise, geographical & business diversifications. Specialist Relocation's book orders were generally intact though delayed by lockdowns and restrictions in the countries of operations. The speed of recovery of the Group's market sectors, such as semiconductor wafer fabrication and TFT/LCD mega-plants will depend on when specialist engineers from the OEMs' countries are allowed to return to customers' sites for installation and commissioning of equipment that the Group's subsidiaries relocate. However, the slow opening and operational restrictions has led to additional costs and overheads that will put pressure on the projects' gross margins and overall profitability of the affected subsidiaries.

The Group's Third Party Logistics (3PL) business continued to perform robustly amidst a very difficult operating environment. On a selective and opportunistic basis, some margin expansions captured in the past months are expected to continue for the rest of the financial year. Inroads into new customers on cross-border freight due to failure of their service providers provide further opportunities for business growth. The Group will sharpen its focus to capture and expand market share in this segment and is cautiously optimistic of the overall performance of the 3PL business segment in the coming quarters.

The Technical & Engineering business segment remains challenged on the revenue front, in particular the construction-related sector in Singapore. On the other hand, components manufacturing for telecommunication and other industrial products in the Group's Singapore and PRC plants are stabilising though below past years' trend line. In particular, the Group is poised to take advantage of the next generation 5G telecoms network roll-out at the parts and component level.

The unprecedented grim economic forecast provided by global financial institutions resulting from the persistence of the pandemic is concerning going forward. The Group's business outlook for the current financial year would depend on how fast countries and companies may resume their economic performance.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No final dividend for FY2020 has been recommended as of this announcement. The Group will advise subsequently if and when a dividend has been decided.

(b) (i) Amount per share …… cents

No final dividend for FY2020 has been recommended as of this announcement. The Group will advise subsequently if and when a dividend has been decided.

(ii) Previous corresponding period ….. cents

An interim dividend of $0.001 per share and final dividend of $0.003 per share were proposed in FY2019.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

No final dividend for FY2020 has been recommended as of this announcement. The Group will advise subsequently if and when a dividend has been decided.

(d) The date the dividend is payable.

No final dividend for FY2020 has been recommended as of this announcement. The Group will advise subsequently if and when a dividend has been decided.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

No final dividend for FY2020 has been recommended as of this announcement. The Group will advise subsequently if and when a dividend has been decided.

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

No final dividend for FY2020 has been recommended as of this announcement. The Group will advise subsequently if and when a dividend has been decided.

13 If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("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 has not obtained an IPTs general mandate at the General Meeting. There was no IPT exceeding $100,000 for the period under review.

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

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

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PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Segmented information is presented in respect of the Group's business segment based on our Group's management and internal reporting structure.

The Group is primarily engaged in the following business segments:

- Specialist Relocation Services
- Third Party Logistics Services
- Technical & Engineering Services

The Group's operations are located in the following geographical locations:

- Singapore
- People's Republic of China ("PRC")
- Malaysia
- Vietnam
- United States
- Thailand

Segmentation revenue and expense are the operating revenue and expense reported in the Group's consolidation income statement that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on the reasonable basis to a segment.

Segmented assets consist principally of property, plant and equipment and trade receivables that are directly attributable to a segment.

Unallocated items comprised property, plant and equipment, others receivables, deposits and prepayments, fixed deposits, cash and cash equivalents, bank loan and overdrafts, trade payables, others payables and accruals, deferred taxation, income tax payable, obligations under finance lease payables, others operating income and expenses.

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16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

	Specialist Relocation Solutions		Third Party logistics		Technical & Engineering		Total	
	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000
Revenue:								
External sales	49,544	77,999	28,059	23,516	23,354	30,365	100,957	131,880
Results:								
Gross profit / (loss)	9,272	24,106	3,169	3,694	(432)	4,318	12,009	32,118
Unallocated other operating income							2,663	2,266
Unallocated expenses							(10,113)	(18,763)
Allowance for doubtful receivables							(5,744)	(258)
Write back of allowance for doubtful receivables							-	1
Bad debt written off							(73)	(372)
Depreciation and amotisation							(11,889)	(6,274)
Interest income							159	104
Interest expense							(2,333)	(1,570)
(Loss) / Profit before income tax							(15,321)	7,252

	Specialist Relocation Solutions		Third Party logistics		Technical & Engineering		Total	
	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000
Analysis by business segment								
Reportable segment assets:								
Allocated assets	69,088	68,039	17,883	13,524	45,752	50,147	132,723	131,710
Unallocated assets							4,228	4,217
	69,088	68,039	17,883	13,524	45,752	50,147	136,951	135,927
Reportable segment liabilities:								
Allocated liabilities	39,514	30,644	8,813	4,790	17,475	15,702	65,802	51,136
Unallocated liabilities							12,927	9,583
	39,514	30,644	8,813	4,790	17,475	15,702	78,729	60,719
Other material non-cash items:								
Total depreciation and amortisation	6,436	3,406	3,107	1,356	2,346	1,512	11,889	6,274
Capital expenditure								
-Property, plant and equipment	2,544	6,300	1,970	1,003	1,217	2,252	5,731	9,555

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Analysis by geographical segment

	Revenue		Non-current assets		Capital expenditure	
	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000
Singapore	41,633	48,276	45,861	40,109	2,346	2,904
PRC	30,284	47,409	12,462	12,440	1,411	5,356
Malaysia	20,087	16,462	7,646	5,663	1,642	1,040
USA	1,043	10,211	161	222	2	43
Vietnam	3,190	5,038	545	548	30	121
Thailand	4,720	4,484	411	192	300	91
	100,957	131,880	67,086	59,174	5,731	9,555

Note:
The above non-current assets do not include deferred tax assets.

Business segment

The Specialist Relocation was the largest contributor to the Group's revenue where its share of the Group's revenue was 49% while the 3PL and T&E Business Segment's share of the Group's revenue were 28% and 23% respectively.

Geographical segment

Singapore and PRC were the top contributors to the Group's revenue where its share of total Group's revenue were 41% and 30% respectively as compared to last year of 37% and 36% respectively.

Revenue from Malaysia and Thailand of $20.0 million and $4.7 million had increased by $3.6 million (or 22%) and $0.2 million (or 5%) respectively over last year. Their share of the Group's revenue had increased by 8% to 20% and 2% to 5% respectively over last year.

Vietnam and USA had contributed 3% and 1% respectively to the Group's revenue. Their share of the Group's revenue had decreased by 1% and 7% respectively over last year.

17 A breakdown of sales as follows: -

	Group		
	31-Mar-20 S$'000	31-Mar-19 S$'000	Change %
a) Revenue reported for the first half year	56,188	64,713	-13%
b) Operating profit after tax before deducting non-controlling interests report for first half year	644	2,215	-71%
c) Revenue reported for the second half year	44,769	67,167	-33%
d) Operating (loss) / profit after tax before deducting non-controlling interests report for second half year	(15,888)	2,585	N.M.

Note:
N.M. – Not meaningful

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18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows: -

	31-Mar-20 $'000	31-Mar-19 $'000
a) Ordinary	1,161	1,548
b) Preference	-	-
Total	1,161	1,548

19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any during the year
Cheong Tuck Nang	48	Spouse of Yap Beng Geok, Dorothy, Head of Corporate Administration; son-in-law of Yap Koon Bee @ Louis Yap, substantial shareholder of the Company; and brother-in-law of Siah Boon Hock, Director of the Company.	He is currently the General Manager (PRC) of the Group and is responsible for the overall sales and operational function of the relocation business in the PRC.	None
Yap Beng Geok Dorothy	52	Daughter of Yap Koon Bee @ Louis Yap, substantial shareholder of the Company; and sister-in-law of Siah Boon Hock, Director of the Company.	She is currently the Head of Corporate Administration of the Group and is responsible for the day-to-day administrative workflow, human resources matters and general administration of the Group.	None

BY ORDER OF THE BOARD

Low Weng Fatt
Managing Director and Chief Executive Officer
29 July 2020