



**VibroPower Corporation Limited
and its subsidiaries
Company Registration No. 200004436E**

**Unaudited Condensed Interim Financial Statements
For the six-month financial period and full financial year ended 31 March 2023**

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A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

		The Group			The Group		
		6 months ended	6 months ended	+/(-)	12 months ended	15 months ended	+/(-)
		31 March 2023	31 March 2022		31 March 2023	31 March 2022	
		S\$'000	S\$'000	(%)	S\$'000	S\$'000	(%)
Revenue	a	3,182	9,142	(65.2)	9,576	15,194	(37.0)
Cost of sales	b	(4,349)	(7,400)	(41.2)	(9,258)	(13,100)	(29.3)
Gross (loss)/profit	c	(1,167)	1,742	NM	318	2,094	(84.8)
Other items of income							
Interest income		—	2	(100.0)	—	3	(100.0)
Other credits	d	10	69	(85.5)	31	153	(79.7)
Other income		77	90	(14.4)	167	143	16.8
Other items of expenses							
Marketing and distribution costs	e	(31)	(64)	(51.6)	(85)	(147)	(42.2)
Administrative expenses	e	(1,351)	(1,035)	30.5	(2,384)	(2,675)	(10.9)
Finance costs	f	(204)	(248)	(17.7)	(387)	(559)	(30.8)
Impairment losses on financial assets	g	(2,579)	(291)	786.3	(2,594)	(996)	160.4
Other charges	h	(1,943)	(951)	104.3	(1,931)	(1,038)	86.0
Other expenses		(68)	(82)	(17.1)	(149)	(130)	14.6
Share of results of an associate		(31)	(92)	(66.3)	(69)	(116)	(40.5)
Loss before tax		(7,287)	(860)	747.3	(7,083)	(3,268)	116.7
Income tax expense		(18)	(27)	(33.3)	(22)	(55)	(60.0)
Loss net of tax		(7,305)	(887)	723.6	(7,105)	(3,323)	113.8
Other comprehensive income / (loss):							
<u>Items that may be reclassified to profit or loss in subsequent periods (net of tax)</u>							
Exchange differences on translating foreign operations (net)		(418)	35	NM	(597)	285	NM
Total comprehensive loss		(7,723)	(852)	806.5	(7,702)	(3,038)	153.5
Loss attributable to:							
Owners of the Company		(7,256)	(887)	718.0	(7,054)	(3,321)	112.4
Non-controlling interests		(49)	-	NM	(51)	(2)	2450.0
		(7,305)	(887)	723.6	(7,105)	(3,323)	113.8
Total comprehensive loss attributable to:							
Owners of the Company		(7,641)	(810)	843.3	(7,545)	(2,998)	151.7
Non-controlling interests		(82)	(42)	95.2	(157)	(40)	292.5
		(7,723)	(852)	806.5	(7,702)	(3,038)	153.5
Earnings per share:							
Basic (cent) [A]					(9.57)	(4.51)	
Diluted (cent) [B]					(9.57)	(4.51)	

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

Voluntary Disclosure – The Group's income statement for the 12 months ended FY2023 and FY2022

		The Group			The Group		
		6 months ended	6 months ended	+/(-)	12 months ended	12 months ended	+/(-)
		31 March 2023	31 March 2022		31 March 2023	31 March 2022	
		S\$'000	S\$'000	(%)	S\$'000	S\$'000	(%)
Revenue	a	3,182	9,142	(65.2)	9,576	14,014	(31.7)
Cost of sales		(4,349)	(7,400)	(41.2)	(9,258)	(11,548)	(19.8)
Gross (loss)/profit	b	(1,167)	1,742	NM	318	2,466	(87.1)
Other items of income							
Interest income		–	2	(100.0)	–	3	(100.0)
Other credits	c	10	69	(85.5)	31	95	(67.4)
Other income	d	77	90	(14.4)	167	119	40.3
Other items of expenses							
Marketing and distribution costs	e	(31)	(64)	(51.6)	(85)	(100)	(15.0)
Administrative expenses	f	(1,351)	(1,035)	30.5	(2,384)	(2,053)	16.1
Finance costs	f	(204)	(248)	(17.7)	(387)	(488)	(20.7)
Impairment losses on financial assets	g	(2,579)	(291)	786.3	(2,594)	(959)	170.5
Other charges	h	(1,943)	(951)	104.3	(1,931)	(928)	108.1
Other expenses	d	(68)	(82)	(17.1)	(149)	(108)	38.0
Share of results of an associate		(31)	(92)	(66.3)	(69)	(96)	(28.1)
Loss before tax		(7,287)	(860)	747.3	(7,083)	(2,049)	245.7
Income tax expense		(18)	(27)	(33.3)	(22)	(35)	(37.1)
Loss net of tax		(7,305)	(887)	723.6	(7,105)	(2,084)	240.9
Other comprehensive income / (loss):							
<u>Items that may be reclassified to profit or loss in subsequent periods (net of tax)</u>							
Exchange differences on translating foreign operations (net)		(418)	35	NM	(597)	109	NM
Total comprehensive loss		(7,723)	(852)	806.5	(7,702)	(1,975)	290.0
Loss attributable to:							
Owners of the Company		(7,256)	(887)	718.0	(7,054)	(2,083)	238.6
Non-controlling interests		(49)	-	NM	(51)	(1)	5000.0
		(7,305)	(887)	723.6	(7,105)	(2,084)	240.9
Total comprehensive loss attributable to:							
Owners of the Company		(7,641)	(810)	843.3	(7,545)	(1,963)	284.4
Non-controlling interests		(82)	(42)	95.2	(157)	(12)	1208.3
		(7,723)	(852)	806.5	(7,702)	(1,975)	290.0
Earnings per share:							
Basic (cent) [A]					(9.57)	(2.83)	
Diluted (cent) [B]					(9.57)	(2.83)	

[A] Basic earnings per share is calculated on the basis of consolidated loss after tax attributable to equity holders of the Company of S\$7,054,000 (31 March 2022: loss of S\$3,321,000) and on 73,696,114 (31 March 2022: 73,696,114) weighted average ordinary shares in issue during the period under review.

[B] Diluted earnings per share is calculated on the basis of consolidated loss after tax attributable to equity holders of the Company of S\$7,054,000 (31 March 2022: loss of S\$3,321,000) and on 73,696,114 (31 March 2022: 73,696,114) weighted average ordinary shares in issue during the period under review.

Earnings per ordinary share for the 6 months ended 31 March 2023 and 31 March 2022 are calculated based on the number of issued of ordinary shares (excluding treasury shares) of 73,696,114.

Explanatory Notes to the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		+/(-) (%)	Group		+/(-) (%)
	6 months ended 31 March 2023 S\$'000	6 months ended 31 March 2022 S\$'000		12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000	
<u>Other Credits and (Other Charges)</u>						
Foreign exchange (losses)/gain – Net	(386)	32	NM	(470)	35	NM
Provision of allowance for slow moving inventories	(286)	(951)	(69.9)	(188)	(1,038)	(81.9)
(Provision)/reversal for product warranty expense	–	4	(100.0)	(2)	–	100.0
Provision for potential back charge from a customer and liquidated damages	(1,271)	–	100.0	(1,271)	–	100.0
Government subsidies	4	28	(85.7)	14	113	(87.6)
Others	6	5	20.0	17	5	240.0
Net	(1,933)	(882)	119.2	(1,900)	(885)	114.7
<u>Presented in Profit or Loss as:</u>						
Other Credits	10	69	(85.5)	31	153	(79.7)
Other Charges	(1,943)	(951)	104.3	(1,931)	(1,038)	86.0
Net	(1,933)	(882)	119.2	(1,900)	(885)	114.7
<u>Other income</u>						
Management fee income	77	90	(14.4)	167	143	16.8
<u>Other expenses</u>						
Engineering cost	(68)	(82)	(17.1)	(149)	(130)	14.6
<u>(Impairment)/reversal of losses on financial assets</u>						
Provision for expected credit losses on trade receivables	(2,615)	(347)	653.6	(2,615)	(1,060)	146.7
Reversal of expected credit losses on trade receivables	36	56	(35.7)	36	56	(35.7)
Write-off of trade receivables	–	–	NM	(15)	–	100.0
Provision for expected credit losses on other receivables	–	–	NM	–	–	NM
Reversal of expected credit losses on other receivables	–	–	NM	–	8	(100.0)
	(2,579)	(291)	786.3	(2,594)	(996)	160.4

- a. Decrease in Group's revenue was mainly due to the following:
 - (i) delay in the customer's delivery schedule for a few major projects to the following financial year
 - (ii) 12 months revenue for current financial year ended 31 March 2023 as compared to 15 months for previous financial period
- b. Decrease in gross profit margin was mainly due to low margin projects delivered in FY2023 which mostly are residential and small industrial projects which require standard supplies with less technical requirement.
- c. Decrease in other credits was mainly due to reduction in government subsidies during the financial year ended 31 March 2023.
- d. Increase in other income and other expenses were mainly due to engineering services provided to an associate company.
- e. Decrease in marketing and distribution cost was mainly due to less travelling during the financial year ended 31 March 2023.
- f. Decrease in administrative expense and finance cost was mainly due to 12 months expenses incurred for the financial year ended 31 March 2023 as compared to 15 months in previous financial period.
- g. Increase in impairment loss on financial assets was mainly due to provision for unbilled revenue and retention sum for a terminated contract.
- h. Increase in other charges was mainly due to provision for potential back charge and liquidated damages for a terminated contract.

B. Condensed Interim Statements of Financial Position

		The Group		The Company	
	Notes	31 March 2023	31 March 2022	31 March 2023	31 March 2022
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets:					
Property, plant and equipment	a	5,629	6,919	—	—
Investment property	b	2,850	3,049	—	—
Right-of-use assets	c	812	976	—	—
Investments in subsidiaries		—	—	14,914	14,914
Investments in an associate	d	442	565	—	—
Deferred tax assets		—	—	—	—
Trade and other receivables		—	—	—	—
Total non-current assets		9,733	11,509	14,914	14,914
Current assets:					
Inventories		2,048	2,340	—	—
Trade and other receivables	e	7,128	10,454	3,468	3,397
Contract assets	f	1,703	2,500	—	—
Other assets	g	712	542	26	21
Cash and cash equivalents	h	768	915	23	21
Total current assets		12,359	16,751	3,517	3,439
Total assets		22,092	28,260	18,431	18,353
EQUITY AND LIABILITIES					
Equity:					
Share Capital		19,084	19,084	19,084	19,084
Treasury shares		(388)	(388)	(388)	(388)
Accumulated losses		(10,666)	(3,612)	(975)	(714)
Reserves		(915)	(424)	—	—
Equity attributable to equity holders of the Company		7,115	14,660	17,721	17,982
Non-controlling interests		1,486	1,643	—	—
Total equity		8,601	16,303	17,721	17,982
Non-current liabilities:					
Loans and borrowings	i	2,311	3,819	—	—
Lease liabilities		460	485	—	—
Total non-current liabilities		2,771	4,304	—	—
Current liabilities:					
Provisions		10	11	—	—
Income tax payable		119	119	—	—
Payables and accruals	j	5,737	4,300	710	371
Loans and borrowings	i	2,993	2,137	—	—
Lease liabilities		32	24	—	—
Other liabilities	k	1,829	1,062	—	—
Total current liabilities		10,720	7,653	710	371
Total liabilities		13,491	11,957	710	371
Total equity and liabilities		22,092	28,260	18,431	18,353

Explanatory Notes to the Condensed Interim Statements of Financial Position

- a. Decrease in property, plant and equipment was mainly due to depreciation for the financial year ended 31 March 2023.
- b. Decrease in investment property was mainly due to currency translation difference arise from a freehold land held by a Malaysia subsidiary.
- c. Decrease in Right-of-use assets was mainly due to depreciation for the financial year ended 31 March 2023.
- d. Decrease in investment in an associate was due to the loss shared during the financial year ended 31 March 2023.
- e. Decrease in trade and other receivables was mainly due to reduction in the revenue for the financial year ended 31 March 2023.
- f. Decrease in contract assets was mainly due to the less work in progress for on-going projects.
- g. Increase in other assets was due to more down payments made to the major suppliers as of year-end to secure the major components of ongoing projects.
- h. The movement in cash and cash equivalents are disclosed in the Consolidated Statements of Cash Flow on page 7 of this announcement.
- i. Decrease in loans and borrowings were mainly due to repayment of borrowings during the period.
- j. Payables and accruals increased mainly due to purchases for the projects to be delivered in the next financial year.
- k. The increase in other liabilities was due to more deposits received from customers for the projects secured during the financial year ended 31 March 2023.

C. Condensed Interim Consolidated Statements of Cash Flows

	The Group	
	12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000
Cash flows from operating activities		
Loss before tax	(7,083)	(3,268)
Adjustments for:		
Interest income	—	(3)
Finance costs	387	559
Depreciation of property, plant and equipment	717	931
Depreciation of right-of-use assets	135	167
Currency translation differences	387	(17)
Provision for product warranty expense	2	—
Provision of allowance for slow moving inventories	188	1,038
Provision for expected credit losses on trade receivables (net)	2,594	1,004
Provision for expected credit losses on other receivables (net)	—	(8)
Share of results of an associate	69	116
Operating cash flows before changes in working capital	(2,604)	519
Changes in working capital		
Decrease/(increase) in inventories	100	(751)
Decrease/(increase) in trade and other receivables	361	(1,039)
Decrease/(increase) in contract assets	797	(152)
(Increase)/decrease in other assets	(182)	82
Increase in payables and accruals	1,552	960
Increase in other liabilities	771	624
Net cash flows from operations	795	243
Income taxes paid	(14)	(36)
Interest received	—	3
Interest paid	(343)	(506)
Net cash flows generated from/ (used in) operating activities (a)	438	(296)
Cash flows from investing activities		
Purchase of property, plant and equipment	(8)	(794)
Net cash flows used in investing activities (b)	(8)	(794)
Cash flows from financing activities		
Proceeds from loans and borrowings	1,772	6,036
Repayment of loans and borrowings	(2,312)	(7,436)
Repayment of principal portion of lease liabilities	(16)	(35)
Net cash flows used in financing activities (c)	(556)	(1,435)
Net decrease in cash and cash equivalents	(126)	(2,525)
Effects of exchange rate changes on cash and cash equivalents	(21)	23
Cash and cash equivalents, Statement of Cash Flows, Beginning Balances	915	3,417
Cash and cash equivalents, Statement of Cash Flows, Ending Balances	768	915

Explanatory Notes to the Condensed Interim Statements of Cash Flows

The Group's cash and cash equivalents decreased by S\$0.1 million from S\$0.9 million as of 31 March 2022 to S\$0.8 million as of 31 March 2023. This was mainly due to cash flow generated from operating activities of S\$0.4 million and repayment of loans and borrowings of S\$0.5 million.

D. Condensed Interim Statements of Changes in Equity

The Group	Share capital S\$'000	Treasury Shares S\$'000	Other Reserves S\$'000	Retained Earnings S\$'000	Total S\$'000	Non-Controlling Interests S\$'000	Total Equity S\$'000
Balance at 1 April 2022	19,084	(388)	(424)	(3,612)	14,660	1,643	16,303
Total comprehensive loss for the period	—	—	(491)	(7,054)	(7,545)	(157)	(7,702)
Balance at 31 March 2023	19,084	(388)	(915)	(10,666)	7,115	1,486	8,601
			(a)				
Balance at 1 January 2021	19,084	(388)	(747)	(291)	17,658	1,683	19,341
Total Comprehensive Income for the Year	—	—	323	(3,321)	(2,998)	(40)	(3,038)
Balance at 31 March 2022	19,084	(388)	(424)	(3,612)	14,660	1,643	16,303
			(a)				

(a) Unrealised and not available for distribution as cash dividends.

The Company	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
Balance at 1 April 2022	19,084	(388)	(714)	17,982
Total comprehensive loss for the period	—	—	(261)	(261)
Balance at 31 March 2023	19,084	(388)	(975)	17,721
Balance at 1 January 2021	19,084	(388)	(355)	18,341
Total comprehensive loss for the period	—	—	(359)	(359)
Balance at 31 March 2022	19,084	(388)	(714)	17,982

E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 11 Tuas Avenue 16, Singapore 638929.

The principal activities of the Group are:

- (a) supply, installation, commissioning and servicing of generators, parts and accessories
- (b) development, operations and management of power generators projects

2. Basis of Preparation

The condensed interim financial statements for the six-months and full year ended 31 March 2023 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 financial position and performance of the Group since the last annual financial statements for the year ended 31 March 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 up 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

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 or amended Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations to FRS ("INT FRSs") that are mandatory for application from that date.

The application of these new or amended SFRS(I) and INT FRSs did not result in change in the Group's accounting policies and has no material effect on the amounts reported for the current period or prior years.

2.2 Use of judgments and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there is no instance of application of judgment which is expected to have a significant impact on the amounts recognised in the Group's condensed interim financial statements for the financial year ended 31 March 2023.

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 organized into the following main business segments:

Segment 1: Projects (supplying generators)

Segment 2: Power plant (supplying electricity) and

Segment 3: Others

4.1. Reportable segments

(a) Segment information by business described above is presented below:

	Projects		Power Plant		Others		Adjustment and elimination		Total	
	12 months ended 31 March 2023	15 months ended 31 March 2022	12 months ended 31 March 2023	15 months ended 31 March 2022	12 months ended 31 March 2023	15 months ended 31 March 2022	12 months ended 31 March 2023	15 months ended 31 March 2022	12 months ended 31 March 2023	15 months ended 31 March 2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segments										
External parties	7,338	11,566	2,238	3,628	-	-	-	-	9,576	15,194
Inter-segment	5,784	7,656	-	-	-	-	(5,784)	(7,656)	-	-
Total revenue	13,122	19,222	2,238	3,628	-	-	(5,784)	(7,656)	9,576	15,194
Interest income	-	-	-	3	87	182	(87)	(182)	-	3
Finance expenses	(404)	(583)	(4)	(39)	-	-	21	63	(387)	(559)
Depreciation	(358)	(478)	(494)	(620)	-	-	-	-	(852)	(1,098)
Impairment losses on financial assets	(2,594)	(996)	-	-	-	-	-	-	(2,594)	(996)
Share of loss of associated company	-	-	(69)	(116)	-	-	-	-	(69)	(116)
Segment (loss)/profit before tax	(6,609)	(3,984)	(84)	987	(339)	(263)	(51)	(8)	(7,083)	(3,268)
Addition of non-current assets	6	92	2	702	-	-	-	-	8	794
Non-current assets	1,559	1,815	4,070	5,104	2,850	3,049	-	-	8,479	9,968
Segment assets	32,843	36,791	8,029	8,529	18,846	18,899	(37,626)	(35,959)	22,092	28,260
Segment liabilities	30,306	28,971	3,909	4,131	901	576	(21,625)	(21,721)	13,491	11,957

	Projects		Power Plant		Others		Adjustment and elimination		Total	
	6 months ended 31 March 2023	6 months ended 31 March 2022	6 months ended 31 March 2023	6 months ended 31 March 2022	6 months ended 31 March 2023	6 months ended 31 March 2022	6 months ended 31 March 2023	6 months ended 31 March 2022	6 months ended 31 March 2023	6 months ended 31 March 2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segments										
External parties	2,486	7,083	696	2,059	-	-	-	-	3,182	9,142
Inter-segment	2,018	6,553	-	-	-	-	(2,018)	(6,553)	-	-
Total revenue	4,504	13,636	696	2,059	-	-	(2,018)	(6,553)	3,182	9,142
Interest income	-	-	-	2	39	64	(39)	(64)	-	2
Finance expenses	(207)	(255)	-	(18)	-	-	3	25	(204)	(248)
Depreciation	(177)	(184)	(239)	(275)	-	-	-	-	(416)	(459)
Impairment losses on financial assets	(2,579)	(291)	-	-	-	-	-	-	(2,579)	(291)
Share of loss of associated company	-	-	(31)	(92)	-	-	-	-	(31)	(92)
Segment (loss)/profit before tax	(6,385)	(1,634)	(650)	814	(216)	(99)	(36)	59	(7,287)	(860)
Addition of non-current assets	6	92	-	484	-	-	-	-	6	576
Non-current assets	1,559	1,815	4,070	5,104	2,850	3,049	-	-	8,479	9,968
Segment assets	32,843	36,791	8,029	8,529	18,846	18,899	(37,626)	(35,959)	22,092	28,260
Segment liabilities	30,306	28,971	3,909	4,131	901	576	(21,625)	(21,721)	13,491	11,957

(b) Segment information of these geographical areas described above presented below:

	The Group			
	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 31 March 2023	15 months ended 31 March 2022
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
Singapore	2,302	6,572	6,880	9,958
Asia (excluding Singapore)	880	2,570	2,696	5,236
	3,182	9,142	9,576	15,194

	The Group			
	6 months ended 31 March 2023 S\$'000	6 months ended 31 March 2022 S\$'000	12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000
Non-current assets				
Singapore	1,559	1,815	1,559	1,815
Asia (excluding Singapore)	6,920	8,153	6,920	8,153
	<u>8,479</u>	<u>9,968</u>	<u>8,479</u>	<u>9,968</u>

4.2. Disaggregation of Revenue

	The Group			
	6 months ended 31 March 2023 S\$'000	6 months ended 31 March 2022 S\$'000	12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000
Major Product or service lines				
Sales of generators	2,298	6,917	6,905	11,168
Electricity supply	696	2,059	2,238	3,628
Rendering of services	31	69	92	160
Rental income	157	97	341	238
	<u>3,182</u>	<u>9,142</u>	<u>9,576</u>	<u>15,194</u>
Timing of transfer of goods or services				
At a point in time	843	2,165	2,579	4,190
Over time	2,339	6,977	6,997	11,004
	<u>3,182</u>	<u>9,142</u>	<u>9,576</u>	<u>15,194</u>

A breakdown of sales as follows:

	Group		
	12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000	Increase/ (Decrease) (%)
Sales reported for first 6 months	6,394	6,528	(2.1)
Profit after tax for first 6 months	200	408	(51.0)
Sales reported for remaining period	3,182	8,666	(63.3)
Loss after tax for remaining period	(7,305)	(3,731)	95.8

NM – denotes not meaningful

5. Loss before taxation

5.1 Significant items:

	Group		+ / (-)		Group		+ / (-)
	6 months ended 31 March 2023 S\$'000	6 months ended 31 March 2022 S\$'000			12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000	
Loss after tax is arrived at after charging the following:			(%)				(%)
Employees benefit expenses	1,170	1,367	(14.4)		2,358	3,074	(23.3)
Depreciation of property, plant and equipment	355	394	(9.9)		717	931	(23.0)
Depreciation of right-of-use assets	68	65	4.6		135	167	(19.2)
Inventories recognized as an expense in cost of sales	3,444	6,148	(44.0)		6,542	9,485	(31.0)
Provision for potential back charge and liquidated damages from a customer	1,271	–	100.0		1,271	–	100.0

5.2 Related party transactions:

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The current related party balances are unsecured without fixed repayment terms and non-interest bearing unless stated otherwise.

Purchases were made at an arm's length basis in a manner similar to transactions with third parties.

Significant related party transactions:

In addition to the transactions and balances disclosed elsewhere in the notes to the interim financial statements, this item includes the following:

	The Group			
	6 months ended 31 March 2023 S\$'000	6 months ended 31 March 2022 S\$'000	12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000
Rental income from a related party	15	15	30	37
Subcontractor fee received from a related party	5	15	5	35
Purchases of goods and services from related parties	1,014	1,392	1,955	2,655
Subcontractor costs paid to a related party	200	305	432	627
Loan from a substantial shareholder and director	320	–	320	–
Interest on loan from a substantial shareholder and director	9	–	9	16
Reimbursement of Expenses	51	62	102	125

6. 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:

	The Group			
	6 months ended 31 March 2023 S\$'000	6 months ended 31 Mar 2023 S\$'000	12 months ended 31 March 2023 S\$'000	15 months ended 31 March 2022 S\$'000
Current income tax expense	(18)	(8)	(22)	(36)
Deferred income tax expense relating to origination and reversal of temporary differences	–	(19)	–	(19)
Income tax expense recognized in profit or loss	(18)	(27)	(22)	(55)

7. Net Asset Value

	The Group		The Company	
	31 March 2023 Cents	31 March 2022 Cents	31 March 2023 Cents	31 March 2022 Cents
Net Asset Value per Ordinary Share based on issued Share Capital at the end of the year	9.65	19.89	24.05	24.40

The Group's net asset per ordinary share is calculated based on net assets attributable to equity holders of the Company of S\$7,115,000 (31 March 2022: S\$14,660,000) and the share capital of 73,696,114 (31 March 2022: 73,696,114) ordinary shares.

The Company's net asset per ordinary share is calculated based on net assets of S\$17,721,000 (31 March 2022: S\$17,982,000) and the share capital of 73,696,114 (31 March 2022: 73,696,114) ordinary shares.

8. Property, plant and equipment

During the financial period ended 31 March 2023, the Group acquired assets amounting to \$8,000 (31 March 2022: \$794,000).

9. Investment property

The Investment property pertains to a freehold land held by a subsidiary. The land is located in Kluang, Malaysia.

	31 March 2023 \$'000	31 March 2022 \$'000
Group Cost		
At 1 April 2022 and 1 January 2021 respectively	3,049	3,116
Currency translation differences	(199)	(67)
End of interim period	2,850	3,049
Net book value		
At 31 March 2023 and 31 March 2022 respectively	2,850	3,049

Valuation of investment property

Independent professional valuation of the Group's investment property has been performed annually by an independent valuer with appropriate recognised professional qualifications and recent experience with the location and category of the property being valued. The valuer has considered the direct comparison method for comparative properties in deriving the valuation of \$4,506,600 as at 31 March 2022, net of lease payments.

Key inputs used in the valuations are the estimated annual net rent, internal rate of return and comparable sales in the area. The outbreak of COVID-19 has resulted in market uncertainty and volatility, and accordingly the valuation of investment property may fluctuate more rapidly and significantly subsequent to valuation date as compared to normal market conditions.

The fair value of the investment property is within level 3 of the fair value hierarchy.

10. Loans and borrowings

	The Group		The Company	
	31 March 2023 S\$'000	31 March 2022 S\$'000	31 March 2023 S\$'000	31 March 2022 S\$'000
Amount payable within one year or on demand				
Secured	228	452	–	–
Unsecured	2,765	1,685	–	–
	<u>2,993</u>	<u>2,137</u>	<u>–</u>	<u>–</u>
Amount payable after one year				
Secured	1,526	1,726	–	–
Unsecured	785	2,093	–	–
	<u>2,311</u>	<u>3,819</u>	<u>–</u>	<u>–</u>
Total loans and borrowings	<u>5,304</u>	<u>5,956</u>	<u>–</u>	<u>–</u>

The bank borrowings of the Group are secured over a certain property of the Group.

11. Share capital

	The Group and the Company			
	31 March 2023		31 March 2022	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning of interim period	73,696	19,084	73,696	19,084
End of interim period	<u>73,696</u>	<u>19,084</u>	<u>73,696</u>	<u>19,084</u>

The total number of issued shares excluding treasury shares as at 31 March 2023 was 73,696,114 (31 March 2022: 73,696,114)

(a) Treasury shares

	The Group and the Company			
	31 March 2023		31 March 2022	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning of interim period	(1,077)	(388)	(1,077)	(388)
End of interim period	<u>(1,077)</u>	<u>(388)</u>	<u>(1,077)</u>	<u>(388)</u>

(b) Subsidiary holdings

The Company's subsidiaries do not hold any shares in the Company as of 31 March 2023 and 31 March 2022.

12. 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

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

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

2. **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.**

The Group's revenue reduced by 37.0% to S\$9.6 million was mainly contributed by decrease in Project segment revenue by S\$4.2 million, of which, partly due to 12 months revenue for FY2023 as compared to 15 months in FY2022. Geographically, Singapore continued to be the Group's major market, accounting for 72% of the total revenue in FY2023, while Asia, which comprised mainly of Hong Kong and China, contributed 28% to the Group's total revenue.

The Group's gross profit decreased to S\$0.3 million in FY2023 and gross profit margin decreased by percentage points from 14% to 3% in FY2023. The deterioration in gross profit was due to mainly low margin projects delivered in FY2023 consisting of residential and small industrial projects. The material costs for these projects secured previously has risen significantly and contributed to the lower margin.

The increase in other income and other expenses was due to engineering services provided to an associate company.

The Group's average administrative expenses and finance costs were lower due to 12 months expenses incurred for FY2023 as compared to 15 months in FY2022.

The significant increase in impairment loss on financial assets was mainly due to provision for unbilled revenue and retention sum of S\$2.5 million for a terminated contract. Additionally, the other charge for FY2023 has included a provision for potential back charge and liquidated damages of S\$1.3 million in relation to this terminated contract. Provisions have been made in compliance with IFRS 9 and 15 requirements without prejudice to the Group's legal position which are reserved.

As a result of the above, the Group registered a net loss after tax of S\$7.1 million for the current financial year.

3. **Status on the use of proceeds from IPO and any offerings pursuant to Chapter 8 of the SGX Listing Manual and whether the use of proceeds is in accordance with the stated use.**

The Company had received an aggregate amount of \$3,765,983 from the following share issuance exercise:

- (a) \$1,540,000 from the Rights Issue;
- (b) \$1,199,000 from the Exercise of Share Placement; and
- (c) \$1,026,983 from the Exercise of Warrants.

Utilisation of proceeds from Rights Issue

Purpose	Amount allocated (S\$'000)	Amount utilised as at the date of the Annual Report (S\$'000)	Balance (S\$'000)
General working capital purpose	340	340	-
Expansion of the Company's existing businesses	1,200	1,200	-
Total	1,540	1,540	-

The above utilization is in accordance with the intended use of the Net Proceeds as stated in the Rights Issue Announcement and Offer Information Statement.

Utilisation of proceeds from Share Placement

Purpose	Amount allocated (S\$'000)	Amount utilised as at the date of the Annual Report (S\$'000)	Balance (S\$'000)
Professional fees	150	150	-
Operating expenses	300	300	-
Purchase of parts and components for projects	749	749	-
Total	1,199	1,199	-

The above utilization is in accordance with the intended use of the Placement Net Proceeds disclosed in the Company's announcement dated 5 October 2020.

Utilisation of proceeds from Exercise of Warrants

An aggregate of 10,269,830 warrants have been exercised and S\$1,026,983 has been raised by the Company from the exercise of such warrants.

Use of the Current Exercise Proceeds	Amount utilised (S\$'000)
Purchase of parts and components for projects	300
Repayment of loans	700
Total	1,000

The above utilization is in accordance with the intended use of the Net Proceeds as stated in the Rights Issue Announcement and Offer Information Statement. As at the date of Annual Report, there are 7,705,598 warrants still outstanding.

4. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results include a discussion of the following:-**

Not applicable.

5. **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 financial period and the next 12 months.**

The operating environment looks set to remain challenging. on the back of rising interest rates and high inflation. However, the Group has been receiving higher enquiries than the previous year.

Despite the negative outlook, the Group are on the lookout for opportunities to gain competitive advantage and emerge stronger. The Group are focusing on cash management and cost optimization to mitigate the ever rising interest rates and still-strong inflationary pressures.

6. Dividend

(a) Current Financial Period reported on

None.

(b) Corresponding Period of the immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Book Closure Date

Not applicable.

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

No dividend has been declared or recommended during the period under review. In view of the challenging environment, the board considers it prudent to reserve fund for working capital purposes.

8. 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.-

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$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 S\$100,000)
Mason Industries Pte Ltd	Note 1	–	2,357,000
Vibro Holdings Pte Ltd	Note 2	–	132,000
Benedict Chen Onn Meng	Note 3	320,000	–

Note 1. 95.5% of the issued and paid-up share capital of Mason Industries Pte Ltd is held by Mr Chen Siew Meng, who is the brother of Mr Benedict Chen Onn Meng, a Director and Controlling Shareholder of the Company.

Note 2. 100% of the issued and paid-up share capital of Vibro Holdings is held by Mr Chen Siew Meng, who is the brother of Mr Benedict Chen Onn Meng, a Director and Controlling Shareholder of the Company.

Note 3. Benedict Chen Onn Meng is a Director and Controlling Shareholder of the Company.

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

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

- 10. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is 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.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 31 March 2023, none of the persons occupying the managerial positions in the Company or any its principal subsidiaries is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

- 11. Disclosures on Incorporation of entities, Acquisition and Realisation of Shares pursuant to Rule 706A of the SGX-ST Listing Manual.**

There is no incorporation of entities, acquisition and realisation of shares incurred during the financial year ended 31 March 2023.

BY ORDER OF THE BOARD

Benedict Chen Onn Meng
Chief Executive Officer

30 June 2023