

**HIAP TONG CORPORATION LTD.**

(Incorporated in the Republic of Singapore)

(Company Registration No. 200800657N)

**UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2021****PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF 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		
	FY2021	FY2020*	Change
	S\$'000	S\$'000	%
Revenue	54,326	58,758	(7.5)
Cost of sales	(52,024)	(49,217)	5.7
Gross profit	2,302	9,541	(75.9)
Other income	10,273	2,242	>100
Distribution expenses	(354)	(214)	65.4
Administrative expenses	(7,835)	(7,726)	1.4
Other expenses	(927)	(154)	>100
Impairment losses on property, plant and equipment and right-of-use assets	(2,120)	(8,000)	(73.5)
Net change in fair value of investment properties	(300)	(850)	(64.7)
<b>Results from operating activities</b>	<b>1,039</b>	<b>(5,161)</b>	<b>NM</b>
Finance income	4	7	(42.9)
Finance costs	(2,054)	(2,596)	(20.9)
<b>Net finance costs</b>	<b>(2,050)</b>	<b>(2,589)</b>	<b>(20.8)</b>
<b>Loss before income tax</b>	<b>(1,011)</b>	<b>(7,750)</b>	<b>(86.9)</b>
Tax credit/(expense)	676	(369)	NM
<b>Loss for the year</b>	<b>(335)</b>	<b>(8,119)</b>	<b>(95.9)</b>
<b>Profit attributable to:</b>			
Owners of the company	(335)	(8,119)	(95.9)
Non-controlling interest	-	-	NM
<b>Loss for the year</b>	<b>(335)</b>	<b>(8,119)</b>	<b>(95.9)</b>

\* Audited

NM: Not Meaningful

## Consolidated Statement of Comprehensive Income

	Group		Change
	FY2021 S\$'000	FY2020* S\$'000	%
<b>Loss for the year</b>	<b>(335)</b>	<b>(8,119)</b>	<b>(95.9)</b>
<b>Other comprehensive (loss)/income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Equity investments at FVOCI – net change in fair value	50	-	NM
<b>Items that are or may be classified subsequently to profit or loss:</b>			
Foreign currency translation differences relating to foreign operations	52	10	>100
Other comprehensive income, net of tax	102	10	>100
<b>Total comprehensive income for the year</b>	<b>(233)</b>	<b>(8,109)</b>	<b>(97.1)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the company	(233)	(8,109)	(97.1)
Non-controlling interest	-	-	NM
<b>Total comprehensive income for the year</b>	<b>(233)</b>	<b>(8,109)</b>	<b>(97.1)</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 year:

	Group		Change
	FY2021 S\$'000	FY2020* S\$'000	%
Interest income	(4)	(7)	(42.9)
Interest expense	1,998	2,115	(5.5)
Depreciation of property, plant and equipment	11,902	12,119	(1.8)
Depreciation of right-of-use assets	1,799	1,915	(6.1)
Net provision for loss allowances on trade and other receivables	49	134	(63.4)
Net exchange loss	23	321	(92.8)
Loss/(Gain) on disposal of property, plant and equipment	196	(46)	NM
Impairment loss on property, plant and equipment and right-of-use assets	2,120	8,000	(73.5)
Net change in fair value of investment properties	300	850	(64.7)

\* Audited

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.**

	<b>Group</b>		<b>Company</b>	
	31.03.2021 S\$'000	31.03.2020* S\$'000	31.03.2021 S\$'000	31.03.2020* S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	104,231	110,852	11,603	13,071
Investment properties	8,450	8,750	7,700	8,000
Right-of-use assets	14,421	15,838	13,762	14,921
Other investment	250	200	-	-
Subsidiaries	-	-	3,500	3,500
	127,352	135,640	36,565	39,492
<b>Current assets</b>				
Trade and other receivables	18,858	18,695	3,989	4,519
Cash and cash equivalents	12,880	6,652	417	302
	31,738	25,347	4,406	4,821
<b>Total assets</b>	159,090	160,987	40,971	44,313
<b>Equity attributable to owners of the Company</b>				
Share capital	24,450	24,450	24,450	24,450
Merger reserve	(1,670)	(1,670)	-	-
Foreign currency translation reserve	72	20	-	-
Fair value reserve	50	-	-	-
Accumulated profits/(losses)	55,038	55,373	(2,475)	(1,775)
<b>Total equity</b>	77,940	78,173	21,975	22,675
<b>Non-current liabilities</b>				
Loans and borrowings	8,033	4,625	825	1,587
Lease liabilities	32,683	33,336	14,526	15,447
Deferred tax liabilities	8,537	9,341	-	-
Trade and other payables	1,809	1,809	-	-
	51,062	49,111	15,351	17,034
<b>Current liabilities</b>				
Trade and other payables	9,658	14,230	192	257
Deferred revenue	1,282	1,487	-	43
Loans and borrowings	5,611	5,845	2,533	3,434
Lease liabilities	13,175	11,598	920	870
Current tax payable	362	543	-	-
	30,088	33,703	3,645	4,604
<b>Total liabilities</b>	81,150	82,814	18,996	21,638
<b>Total equity and liabilities</b>	159,090	160,987	40,971	44,313

\* Audited

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

	As at 31.03.2021			As at 31.03.2020*	
	Secured (1)	Unsecured		Secured (1)	Unsecured
	S\$'000	S\$'000		S\$'000	S\$'000
Bank loans	3,869	1,742	Bank loans	4,845	1,000
Lease liabilities	13,175**	-	Lease liabilities	11,598**	-

**Amount repayable after one year**

	As at 31.03.2021			As at 31.03.2020*	
	Secured (1)	Unsecured		Secured (1)	Unsecured
	S\$'000	S\$'000		S\$'000	S\$'000
Bank loans	3,775	4,258	Bank loans	4,625	-
Lease liabilities	32,683**	-	Lease liabilities	33,336**	-

\*\*The total lease liabilities repayable consists of finance lease liabilities of S\$29.7 million (31.03.2020: S\$27.6 million) and other lease liabilities of S\$16.1 million (31.03.2020: S\$17.3 million) which relate to right-of-use assets.

**Details of any collateral**

- 1) As at 31 March 2021, total bank loans repayable consists of S\$7.6 million (FY2020: S\$9.5 million) was secured by fixed charges over certain property, plant and equipment and investment properties of the Group with a carrying amount of S\$22.4 million and corporate guarantees executed by the Company.
- 2) The finance lease liabilities of S\$29.7 million (FY2020: S\$27.6 million) are secured by the following:
  - a) Certain plant & machinery of the Group with carrying value of S\$54.4 million.
  - b) Corporate guarantees executed by the Company and a subsidiary.

\* Audited

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

	<b>FY2021</b> <b>S\$'000</b>	<b>FY2020*</b> <b>S\$'000</b>
<b>Cash flows from operating activities</b>		
Loss for the year	(335)	(8,119)
<b>Adjustments for:</b>		
Depreciation	13,701	14,034
Loss/(Gain) on disposal of property, plant and equipment	289	(46)
Net change in fair value of investment properties	300	850
Net change in fair value of financial derivatives	(30)	9
Provision for loss allowances on trade and other receivables	49	134
Impairment losses on property, plant and equipment and right-of-use assets	2,120	8,000
Interest income	(4)	(7)
Interest expense	1,998	2,115
Tax (credit)/expense	(676)	369
	17,412	17,339
<b>Changes in working capital:</b>		
Trade and other receivables	(191)	(1,932)
Trade and other payables	(122)	2,653
Income tax paid	(309)	-
<b>Net cash from operating activities</b>	<b>16,790</b>	<b>18,060</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(1,757)	(688)
Other investment	-	(200)
Interest income	4	7
Proceeds from disposal of property, plant and equipment	2,926	51
<b>Net cash from/(used) in investing activities</b>	<b>1,173</b>	<b>(830)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(1,998)	(2,115)
Payments of finance lease liabilities	(11,490)	(11,944)
Proceeds from loans and borrowings	9,000	8,570
Dividends paid	-	(154)
Non-trade amounts due to directors	-	(456)
Repayment of loans and borrowings	(5,827)	(10,279)
<b>Net cash used in financing activities</b>	<b>(11,833)</b>	<b>(16,378)</b>
<b>Net increase in cash and cash equivalents</b>	<b>6,130</b>	<b>852</b>
Cash and cash equivalents at beginning of year	6,652	5,777
Effects of exchange rate changes on balances held in foreign currencies	98	23
<b>Cash and cash equivalents at end of year</b>	<b>12,880</b>	<b>6,652</b>

\* Audited

**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	Fair value reserve	Foreign currency translation reserve	Accumulated profits	Total attributable to equity holders of the Company	Non-controlling interest	Total equity
	S\$'000	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 year</b>								
Loss for the year	-	-	-	-	(335)	(335)	-	(335)
<b>Other comprehensive income</b>								
Equity investment at FVOCI- net change in fair value	-	-	50	-	-	50	-	50
Foreign currency translation differences relating to foreign subsidiaries	-	-	-	52	-	52	-	52
<b>Total comprehensive income for the year</b>	-	-	50	52	(335)	(233)	-	(233)
<b>At 31 March 2021</b>	24,450	(1,670)	50	72	55,038	77,940	-	77,940
<b>At 1 April 2019</b>	24,450	(1,670)		10	63,646	86,436	(147)	86,289
<b>Total comprehensive income for the year</b>								
Loss for the year	-	-		-	(8,119)	(8,119)	-	(8,119)
<b>Other comprehensive income</b>								
Foreign currency translation differences relating to foreign subsidiaries	-	-		10	-	10	-	10
<b>Total comprehensive income for the year</b>	-	-		10	(8,119)	(8,109)	-	(8,109)
<b>Transactions with owners, recognised directly in equity</b>								
<b>Contribution by and distribution to owners</b>								
Dividend paid	-	-		-	(154)	(154)	-	(154)
Liquidation of subsidiary	-	-		-	-	-	147	147
<i>Total transaction with the owners of the company</i>	-	-		-	(154)	(154)	147	(7)
<b>At 31 March 2020</b>	24,450	(1,670)		20	55,373	78,173	-	78,173

Company	Share capital S\$'000	Accumulated profit / (loss) S\$'000	Total attributable to equity holders of the Company S\$'000
<b>At 1 April 2020</b>	24,450	(1,775)	22,675
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(700)	(700)
<b>At 31 March 2021</b>	<u>24,450</u>	<u>(2,475)</u>	<u>21,975</u>
<b>At 1 April 2019</b>	24,450	679	25,129
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(2,300)	(2,300)
<b>Total comprehensive income for the year</b>	-	(2,300)	(2,300)
<b>Transactions with owners, recognised directly in equity</b>			
<b>Contribution by and distribution to owners</b>			
Dividend paid	-	(154)	(154)
<i>Total transaction with the owners of the company</i>	-	(2,454)	(2,454)
<b>At 31 March 2020</b>	<u>24,450</u>	<u>(1,775)</u>	<u>22,675</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.**

	FY2021	FY2020
<b>Fully paid ordinary shares with no par value</b>		
Number of ordinary shares at 30 September 2020	308,065,282	308,065,282
Number of ordinary shares at 31 March 2021	308,065,282	308,065,282

As at 31 March 2021, 30 September 2020 and 31 March 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.**

	31.03.2021 No. of shares	31.03.2020 No. of shares
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 31 March 2021 and 31 March 2020.

**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.**

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

**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.**

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 auditing standard or practice.**

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 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. The Company's latest financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**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.**

The Group has adopted new/revised Singapore Financial Reporting Standards (International) (SFRS(I)s) that are effective for annual periods beginning on or after 1 April 2020. There is no material impact on the financial statements in adopting the new or amended SFRS(I)s, and SFRS(I) Interpretations.



**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	
	FY2021 (cents)	FY2020 (cents)
Earnings per ordinary share for the year after deducting any provision for preference dividends:		
(a) Based on weighted average number of ordinary shares in issue	(0.11)	(2.64)
(b) On a fully diluted basis	(0.11)	(2.64)

Basic earnings per share and fully diluted earnings per share for FY2021 were computed based on net loss attributable to shareholders of S\$334,808 (FY2020: S\$8,119,691) and weighted average number of shares of 308,065,282 (FY2020: 308,065,282) respectively.

**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.**

	Group		Company	
	31.3.2021 (cents)	31.3.2020 (cents)	31.3.2021 (cents)	31.3.2020 (cents)
Net asset value per ordinary share based on issued share capital at the end of the year	25.30	25.38	7.13	7.36

As at 31 March 2021, the number of issued ordinary shares is 308,065,282 (FY2020: 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**

The Group has two reportable segments (i) Lifting and haulage services and (ii) Port services - provision of labour supply for container lashing/unlashing, prime mover driving services and ancillary works at PSA Singapore.

**Revenue**

Revenue decreased by approximately S\$4.5 million or 7.5% from approximately S\$58.8 million for FY2020 to approximately S\$54.3 million for FY2021. The decrease was mainly attributed to a decrease in the lifting and haulage revenue during the year.

Lifting and haulage business

Lifting and haulage revenue decreased by approximately S\$11.8 million or 30.3% from approximately S\$38.9 million for FY2020 to approximately S\$27.1 million for FY2021. The decrease was mainly due to the various restrictions on operations imposed the COVID-19 pandemic ("the **Pandemic**"), which led to a decrease in utilisation of rates of this business segment during the year.

Port Services business

Port services revenue increased by approximately S\$2.5 million or 13.0% from approximately S\$19.3 million for FY2020 to approximately S\$21.8 million for FY2021. The increase was mainly due to revenue generated from a short-term project from PSA.

### Trading business

Trading revenue increased by approximately S\$4.9 million or 980.0% from approximately S\$0.5 million in FY2020 to approximately S\$5.4 million in FY2021. The increase in revenue from the trading business in FY2021 was attributable to the trading of new cranes which were transacted on an *ad hoc* basis when favourable opportunities arose.

### **Cost of sales and gross profit**

Cost of sales increased by approximately S\$2.8 million or 5.7% from approximately S\$49.2 million for FY2020 to approximately S\$52.0 million for FY2021, mainly due to an increase in cranes purchased of approximately S\$4.1 million and higher salary related costs of approximately S\$0.2 million. This was partially offset by a decrease in crane rental expenses of approximately S\$0.5 million, lower fuel expenses of approximately S\$0.5 million, lower maintenance expenses of approximately S\$0.3 million and lower depreciation of approximately S\$0.3 million.

Gross profit decreased by approximately S\$7.2 million or 75.9% from approximately S\$9.5 million (representing a gross margin of 16.2%) for FY2020 to approximately S\$2.3 million (representing a gross margin of 4.2%) for FY2021. The substantial decrease in gross profit was mainly derived from the lifting and haulage business. This was mainly due to fixed costs components in the cost of sales such as depreciation and workers salary and related costs which the Group is required to continue to absorb notwithstanding the decline in utilisation rate of the lifting and haulage equipment as a result of the Pandemic.

### **Other income**

Other income increased by approximately S\$8.1 million or 356.4% from approximately S\$2.2 million for FY2020 to approximately S\$10.3 million for FY2021, mainly due to an increase in government grants in relation to Pandemic of approximately S\$6.7 million, other government grants of approximately S\$0.4 million and increase in storage income of approximately S\$0.4 million. There was an ancillary income for food catering from port services business of approximately S\$1.0 million but none which was non-current in FY2020. This was partially offset by a decrease in gain on disposal of property, plant and equipment of approximately S\$0.4 million.

### **Distribution expenses**

Distribution expenses increased by approximately S\$0.1 million or 65.4% from approximately S\$0.2 million for FY2020 to approximately S\$0.3 million for FY2021, mainly due to an increase in commission expenses.

### **Administrative expenses**

Administrative expenses increased by approximately S\$0.1 million or 1.3% from approximately S\$7.7 million for FY2020 to approximately S\$7.8 million for FY2021, mainly due to higher staff training and welfare expenses of approximately S\$0.3 million and increase in assets written off approximately S\$0.1 million. This was partially offset by a decrease in foreign worker levy of approximately S\$0.3 million.

### **Other expenses**

Other expenses increased by approximately S\$0.7 million or 350.0% from approximately S\$0.2 million in FY2020 to approximately S\$0.9 million in FY2021 mainly due to food catering costs relating to the Port Services business.

### **Impairment losses on property, plant and equipment and right-of-use assets**

Impairment losses on property, plant and equipment and right-of-use assets decreased by approximately S\$5.9 million or 73.5% from approximately S\$8.0 million in FY2020 to approximately S\$2.1 million in FY2021 due to expected weaken operating environment in lifting and haulage business.

### **Net change in fair value of investment properties**

The fair value of investment properties in FY2021 decreased by approximately S\$0.3 million and approximately S\$0.9 million in FY2020 due to lower valuation.

### **Net finance costs**

Net finance costs decreased by approximately S\$0.5 million or 20.8% from approximately S\$2.6 million for FY2020 to approximately S\$2.1 million for FY2021, mainly due to a decrease in provision for loss allowances on trade receivables of approximately S\$0.1 million and a decrease in exchange loss of approximately S\$0.3 million.

### **Income tax**

Income tax for FY2021 was a tax credit of approximately S\$0.7 million due to utilisation of deferred tax liabilities during the year. In FY2020, there was an income tax expense of approximately S\$0.4 million.

### **Loss for the year**

Loss for the year decreased by approximately S\$7.8 million or 95.9% from approximately S\$8.1 million for FY2020 to approximately S\$0.3 million for FY2021 as a result of the reasons explained in the preceding paragraphs. In FY2020, the Group incurred a net loss of approximately S\$8.1 million due to impairment loss on property, plant and equipment and right-of-use assets.

## **Review of Financial Position**

### **Non-current assets**

Our non-current assets amounted to approximately S\$127.4 million or 80.1% of our total assets of approximately S\$159.1 million as at 31 March 2021. The decrease in non-current assets of approximately S\$8.2 million or 6.1% compared to as at 31 March 2020 was mainly due to disposal of equipment of approximately S\$3.2 million, depreciation charge of approximately S\$13.7 million and an increase in impairment loss on property, plant and equipment and right-of-use assets of approximately S\$2.1 million. This was partially offset by addition of new equipment and right-of-use assets of approximately S\$11.1 million. In addition, there was a decrease in fair value of investment properties of approximately S\$0.3 million.

### **Current assets**

As at 31 March 2021, our current assets amounted to approximately S\$31.7 million or 19.9% of our total assets of approximately S\$159.2 million.

The increase in current assets of approximately S\$6.4 million or 25.2% compared to as at 31 March 2020 was mainly due to an increase in cash and cash equivalents of approximately S\$6.2 million and grant receivables of approximately S\$0.2 million through the Jobs Support Scheme by the Singapore.

### **Non-current liabilities**

As at 31 March 2021, our non-current liabilities amounted to approximately S\$51.1 million or 62.9% of our total liabilities of approximately S\$81.2 million. The increase in non-current liabilities of approximately S\$2.0 million or 5.6% compared to as at 31 March 2020 was due to an increase in loans and borrowings of approximately S\$4.0 million. This was partially offset by a decrease in lease liabilities of approximately S\$1.2 million and decrease in deferred tax liabilities of approximately S\$0.8 million.

### **Current liabilities**

As at 31 March 2021, our current liabilities amounted to approximately S\$30.1 million or 37.1% of our total liabilities of approximately S\$81.2 million. The decrease in current liabilities of approximately S\$3.6 million or 10.7% compared to as at 31 March 2020 was mainly due to a decrease in trade and other payables of approximately S\$4.5 million relating to conversion of cranes purchases into finance lease liabilities, decrease in deferred grant income of approximately S\$0.2 million and decrease in provision for taxation of approximately S\$0.2 million. This was partially offset by an increase in loans and borrowings of approximately S\$1.3 million.

## **Review of Cash flows Statement**

The Group's net cash from operating activities for FY2021 decreased by approximately S\$1.2 million as compared to FY2020 due to higher net working capital outflow of approximately \$1.3 million and a lower operating profit before changes in working capital of approximately S\$0.1 million.

The Group's net cash from investing activities for FY2021 increased by approximately S\$2.0 million as compared to FY2020. This was mainly due to an increase in proceeds from disposal of property, plant and equipment of approximately S\$2.9 million and a decrease in other investment of convertibles notes approximately S\$0.2 million. This was partially offset by an increase in acquisition of property, plant and equipment of approximately S\$1.1 million.

The Group's net cash used in financing activities in FY2021 decreased by approximately S\$4.5 million compared to FY2020. This was mainly due to lower repayment of the net finance lease liabilities, bank borrowings and interest of approximately S\$4.9 million and higher proceeds from loans and borrowings of approximately S\$0.4 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 the financial year ended 31 March 2021 was principally in line with the commentary stated in paragraph 10 of the previous result announcement for the six months period ended 30 September 2020 of the Group dated 10 November 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.**

Despite the recent tightening of the COVID-19 rules introduced from 10 May 2021 to 13 June 2021, the Group believes that Singapore is better prepared for the COVID-19 pandemic as compared to a year ago.

However, the Group remains cautious on the outlook of Malaysia lifting and haulage services following the surge in the COVID-19 cases and the reintroduction of the full Movement Control Order by the Malaysia government in June 2021.

Generally, although the business outlook remains challenging due to the uncertainty caused by the pandemic, the Group is cautiously optimistic that the COVID-19 support measures provided by the Singapore and Malaysia government will lead to an eventual recovery of this market in the long term.

As for the Port Services business, it is considered an essential service in Singapore. As such, the Group expects the segment to be minimally impacted from the COVID-19 pandemic.

### **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) Whether the dividend is before tax, net of tax, or tax exempt.**

Not applicable.

**(d) Date payable**

Not applicable.

**(e) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared as the Group is loss-making in FY2021.

**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 the Issuer under Rule 720(1) of the Catalist Rules.**

The Company confirms that it has procured all the required undertakings from all its directors and executive officers (in the format set out in Appendix 7H of the Catalist Rules) under Rule 720(1) of the Catalist Rules.

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**15. Segmented revenue and results for operating 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.**

The Group has two reportable segments (i) Leasing- provision of lifting and haulage services and (ii) Port Services - provision of labour supply for container lashing/unlashing, prime mover driving services and ancillary works at PSA Singapore.

Other operations include the rental of investment properties. This segment does not meet any of the quantitative thresholds for determining reportable segments in 2021 and 2020.

Information about reportable segments:

	Lifting and haulage services	Port Services	Others	Total	Lifting and haulage services	Port Services	Others	Total
	FY2021	FY2021	FY2021	FY2021	FY2020	FY2020	FY2020	FY2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	27,113	21,838	5,375	54,326	38,950	19,309	499	58,758
Interest revenue	4	-	-	4	7	-	-	7
Interest expense	(1,921)	-	(77)	(1,998)	(1,578)	(60)	(477)	(2,115)
Depreciation	(12,468)	(853)	(380)	(13,701)	(12,472)	(828)	(734)	(14,034)
Reportable segment (loss)/profit before tax	(4,209)	2,570	628	(1,011)	(5,903)	372	(2,219)	(7,750)
Other material non-cash items:								
- Net reversal/(provision) loss for allowances for trade and other receivables	(49)	-	-	(49)	(134)	-	-	(134)
- Net change in fair value of investment properties	-	-	(300)	(300)	-	-	(850)	(850)
- Impairment losses on property, plant and equipment and right-of-use assets	(2,120)	-	-	(2,120)	(8,000)	-	-	(8,000)
Reportable segment assets	142,976	7,664	8,450	159,090	134,313	7,079	19,595	160,987
Capital expenditure	10,090	571	-	10,661	7,645	123	-	7,769
Reportable segment liabilities	77,662	3,488	-	81,150	64,657	6,251	11,906	82,814

\*\*\* Amount less than \$1,000

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

Please refer to paragraph 8 of the announcement for the review of the performance of the group.

**17. A breakdown of sales**

	Group		Increase/ (Decrease)
	FY2021 S\$'000	FY2020 S\$'000	%
Revenue reported for first half year	18,507	29,334	(37.0)
(Loss)/Profit after tax before deducting minority interests reported for first half year	(2,597)	752	NM
Revenue reported for second half year	35,819	29,424	21.7
(Loss)/Profit after tax before deducting minority interests reported for second half year	2,262	(8,871)	NM

**18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

**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(10) 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 first held	Details of changes in duties and position held, if any, during the year
Gwee Sze Hoe Jeremy	39	Nephew of Executive Chairman, Ong Teck Meng	Director of Hiap Tong Crane & Transport Pte Ltd, a subsidiary company since December 2015.  Main duties include sales for crane leasing business.	No changes
Ong Chuan Hock	62	Brother of Executive Chairman, Ong Teck Meng	Director of Hiap Tong Trading Pte Ltd, a subsidiary company, since 23 October 1992.  Main duties include control and supervision of operators' payroll.	No changes

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wang Wenshen	39	Son of Mr Ong Lim San, Executive Director and substantial shareholder of the Company	Manager since 1 March 2013.  Main duties include sales and operations of the Group, in particular the ExxonMobil project in Singapore.	No changes
Ong Hwee Cheng	40	Daughter of Executive Chairman, Ong Teck Meng	Business Development Manager since 1 April 2014.	No Changes
Wang Wenxin	34	Son of Mr Ong Lim San, Executive Director and substantial shareholder of the Company	Workshop Manager since 1 January 2018	No Changes
Ong Jun Xiong	33	Nephew of Executive Chairman, Ong Teck Meng	Manager since 3 December 2018	No Changes

**BY ORDER OF THE BOARD**

**Ong Lim Wan @ Ong Teck Meng**  
**Executive Chairman and Chief Executive Officer**  
**29 May 2021**

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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 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.*