



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

CONDENSED INTERIM FINANCIAL STATEMENTS
For the six months ended 31 December 2023

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

CONDENSED INTERIM FINANCIAL STATEMENTS
For the six months ended 31 December 2023

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

For the six months ended 31 December 2023

	Note	Group		Increase/ (Decrease) %
		6 months ended		
		31 December	31 December	
		2023	2022	
		\$'000	\$'000	
Revenue	4	75,255	65,884	14
Cost of sales		(42,380)	(37,492)	13
Gross profit		32,875	28,392	16
Other income		1,661	1,923	(14)
Impairment (loss)/written back on financial assets - net		(146)	14	NM
Other losses - net		(421)	(2,620)	(84)
Expenses				
- Administrative		(880)	(623)	41
- Other operating		(17,043)	(16,046)	6
- Finance		(1,936)	(1,725)	12
Share of (loss)/profit of associated companies		(12)	139	NM
Profit before income tax		14,098	9,454	49
Income tax expense	7	(3,242)	(2,236)	45
Total profit		10,856	7,218	50
Other comprehensive income/(loss):				
Items that may be subsequently reclassified to profit or loss:				
Currency translation differences arising from consolidation				
- Gain/(Loss)		674	(602)	NM
Total comprehensive income		11,530	6,616	74
Profit/(Loss) attributable to:				
Equity holders of the Company		10,770	7,228	49
Non-controlling interest		86	(10)	NM
		10,856	7,218	50
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		11,445	6,626	73
Non-controlling interest		85	(10)	NM
		11,530	6,616	74
Earnings per share attributable to equity holders of the Company				
- Basic (SGD in cent)	14	4.65	3.12	49
- Diluted (SGD in cent)	14	4.65	3.12	49

NM: Not meaningful

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

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

As at 31 December 2023

	Note	Group		Company	
		31 December 2023 \$'000	30 June 2023 \$'000	31 December 2023 \$'000	30 June 2023 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		61,663	75,504	318	1,122
Financial assets, at fair value through profit or loss	10	196	191	-	-
Trade and other receivables		62,552	47,189	-	-
Tax recoverable		198	80	-	-
Inventories		3,285	2,329	-	-
Other assets		2,917	2,328	18	9
		130,811	127,621	336	1,131
Assets held-for-sale		742	4,198	-	-
		131,553	131,819	336	1,131
Non-current assets					
Other assets		1,160	1,176	-	-
Other receivables		-	-	41,808	42,007
Investments in associated companies		2,936	3,018	1,020	1,020
Investments in subsidiaries		-	-	45,529	44,880
Property, plant and equipment	11	375,525	342,993	-	-
Right-of-use assets		11,993	12,379	-	-
Deferred income tax assets		125	128	-	-
		391,739	359,694	88,357	87,907
Total assets		523,292	491,513	88,693	89,038
LIABILITIES					
Current liabilities					
Trade and other payables		57,480	42,312	246	282
Current income tax liabilities		4,174	4,300	-	-
Borrowings	12	21,326	20,768	-	-
		82,980	67,380	246	282
Non-current liabilities					
Trade and other payables		33,308	24,221	-	-
Borrowings	12	75,249	78,480	-	-
Deferred income tax liabilities		29,255	28,144	-	-
		137,812	130,845	-	-
Total liabilities		220,792	198,225	246	282
NET ASSETS		302,500	293,288	88,447	88,756
EQUITY					
Capital and reserves attributable to the equity holders of the Company					
Share capital	13	87,340	87,340	87,340	87,340
Treasury shares		(192)	(192)	(192)	(192)
Other reserves		(2,119)	(2,794)	-	-
Retained earnings		217,457	209,005	1,299	1,608
		302,486	293,359	88,447	88,756
Non-controlling interest		14	(71)	-	-
Total equity		302,500	293,288	88,447	88,756

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

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

For the six months ended 31 December 2023

Group	<u>Attributable to equity holders of the Company</u>					Non- controlling interest \$'000	Total equity \$'000
	<u>Share capital</u>	<u>Treasury shares</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>		
	\$'000	\$'000	\$'000	\$'000	\$'000		
2024							
Balance as at 1 July 2023	87,340	(192)	(2,794)	209,005	293,359	(71)	293,288
Profit for the financial period	-	-	-	10,770	10,770	86	10,856
Other comprehensive income/(loss) for the financial period	-	-	675	-	675	(1)	674
Total comprehensive income for the financial period	-	-	675	10,770	11,445	85	11,530
Dividend relating to 2023 paid	-	-	-	(2,318)	(2,318)	-	(2,318)
Balance as at 31 December 2023	87,340	(192)	(2,119)	217,457	302,486	14	302,500
2023							
Balance as at 1 July 2022	87,340	-	(882)	194,466	280,924	(29)	280,895
Profit for the financial period	-	-	-	7,228	7,228	(10)	7,218
Other comprehensive loss for the financial period	-	-	(602)	-	(602)	-	(602)
Total comprehensive (loss)/income for the financial period	-	-	(602)	7,228	6,626	(10)	6,616
Purchase of treasury shares	-	(192)	-	-	(192)	-	(192)
Dividend relating to 2022 paid	-	-	-	(1,159)	(1,159)	-	(1,159)
Balance as at 31 December 2022	87,340	(192)	(1,484)	200,535	286,199	(39)	286,160

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

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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the six months ended 31 December 2023

Company	Attributable to equity holders of the Company			
	<u>Share capital</u> \$'000	<u>Treasury shares</u> \$'000	<u>Retained earnings</u> \$'000	<u>Total</u> \$'000
2024				
Balance as at 1 July 2023	87,340	(192)	1,608	88,756
Profit for the financial period	-	-	2,009	2,009
Dividend relating to 2023 paid	-	-	(2,318)	(2,318)
Balance as at 31 December 2023	87,340	(192)	1,299	88,447
2023				
Balance as at 1 July 2022	87,340	-	1,919	89,259
Profit for the financial period	-	-	991	991
Purchase of treasury shares	-	(192)	-	(192)
Dividend relating to 2022 paid	-	-	(1,159)	(1,159)
Balance as at 31 December 2022	87,340	(192)	1,751	88,899

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

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

For the six months ended 31 December 2023

	Group	
	6 months ended	
	31 December	31 December
	2023	2022
	\$'000	\$'000
Cash flows from operating activities		
Total profit	10,856	7,218
Adjustments for:		
- Income tax expense	3,242	2,236
- Depreciation of property, plant and equipment	15,922	15,554
- Depreciation of right-of-use assets	397	537
- Dividend income	-	(6)
- Gain on disposal of property, plant and equipment	(1,384)	(422)
- Gain on disposal of assets held-for-sale	(601)	-
- Fair value (gain)/loss on financial assets, at fair value through profit or loss	(5)	4
- Impairment loss/(written back) on trade receivables - net	146	(14)
- Interest income	(1,102)	(546)
- Interest expense	1,936	1,725
- Share of loss/(profit) of associated companies	12	(139)
- Translation differences	726	737
Operating cash flow before working capital changes	30,145	26,884
Changes in operating assets and liabilities:		
- Inventories	(951)	90
- Trade and other receivables	(8,611)	(2,059)
- Other current assets	(590)	(568)
- Trade and other payables	(7,104)	(4,058)
Cash generated from operations	12,889	20,289
Income tax paid	(2,345)	(2,308)
Net cash provided by operating activities	10,544	17,981
Cash flows from investing activities		
Purchase of property, plant and equipment	(18,210)	(3,019)
Interest received	1,102	546
Dividend received	-	6
Fixed deposits placed in escrow	(6,368)	-
Proceeds from disposal of interest in an associated company	6	-
Proceeds from disposal of assets held-for-sale	4,058	-
Proceeds from disposal of property, plant and equipment	4,986	1,501
Net cash used in investing activities	(14,426)	(966)
Cash flows from financing activities		
Purchase of treasury shares	-	(192)
Fixed deposits (pledged)/unpledged	(1,876)	116
Proceeds from bank borrowings	5,000	-
Principal repayment of bank borrowings	(3,334)	(3,265)
Repayment of other secured borrowings	(7,003)	(7,002)
Interest paid	(1,961)	(1,639)
Principal repayments of lease liabilities	(343)	(444)
Dividends paid to equity holders of the Company	(2,318)	(1,159)
Net cash used in financing activities	(11,835)	(13,585)
Net (decrease)/increase in cash and cash equivalents	(15,717)	3,430
Cash and cash equivalents at beginning of financial period	74,653	55,022
Cash and cash equivalents at end of financial period	58,936	58,452
Cash and cash equivalents at end of financial period	61,663	59,288
Less: Bank deposits pledged	(2,727)	(836)
Cash and cash equivalents as per statement of cash flows	58,936	58,452

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

**TIONG WOON CORPORATION HOLDING LTD
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2023

1. Corporate information

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

These condensed interim consolidated financial statements as at and for the six months ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are:

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

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 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 Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

On 1 July 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the current financial period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

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

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2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 30 June 2023.

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

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

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

As at 31 December 2023, management has not identified any indicators of impairment relating to the machinery, tug boat and barges of the Group.

(b) Impairment of trade receivables

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

As at 31 December 2023, the Group's net trade receivables amounted to \$41.8 million (30 June 2023: \$37.3 million), arising from the Group's different revenue segments as disclosed in Note 4.1. Based on the Group's historical credit loss experience, trade receivables exhibited different loss patterns depending on the type of trade receivables that are grouped based on shared credit risk characteristics. Accordingly, management has determined expected loss rates for each of the trade receivables. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

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(b) Impairment of trade receivables (continued)

As at 31 December 2023, the impairment loss allowance for trade receivables was \$26.9 million (30 June 2023: \$27.8 million). The Group's trade receivables included one debtor, whose debt amounted to \$11.2 million (30 June 2023: \$11.7 million) which is aged more than 365 days. Allowance for impairment of \$11.2 million (30 June 2023: \$11.7 million) has been made for this debt.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is organised into the following main business segments:

- Segment 1: Heavy Lift & Haulage;
- Segment 2: Marine Transportation; and
- Segment 3: Trading

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

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4.1. Reportable segments

1 July 2023 to 31 December 2023 (FY2024-1H)	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
Revenue				
-external sales	73,571	1,155	529	75,255
-inter-segment sales	198	1,154	-	1,352
	<u>73,769</u>	<u>2,309</u>	<u>529</u>	<u>76,607</u>
Elimination				<u>(1,352)</u>
				<u>75,255</u>
Segment result	16,157	217	64	16,438
Depreciation - property, plant and equipment				(1,464)
Depreciation - ROU assets				(252)
Other income				1,661
Other losses - net				(421)
Finance costs				(1,852)
Share of loss of associated companies	(4)	(8)	-	(12)
Profit before income tax				<u>14,098</u>
Income tax expense				<u>(3,242)</u>
Net profit				<u>10,856</u>
Other segment items				
Capital expenditure				
- property, plant and equipment	51,671	309	-	51,980
- ROU assets	11	-	-	11
Depreciation - property, plant and equipment	14,165	288	5	14,458
Depreciation - ROU assets	145	-	-	145
Segment assets	446,563	4,596	2,151	453,310
Investment in associated companies	4	2,932	-	2,936
Unallocated assets	-	-	-	67,046
Consolidated total assets				<u>523,292</u>
Segment liabilities	(126,478)	(510)	(1,240)	(128,228)
Unallocated liabilities	-	-	-	(92,564)
Consolidated total liabilities				<u>(220,792)</u>

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4.1. Reportable segments (continued)

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

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4.2. Disaggregation of revenue

	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
<u>1 July 2023 to 31 December 2023</u>				
<u>(FY2024-1H)</u>				
Types of goods or service:				
Rendering of services	11,386	186	-	11,572
Trading sales of equipment and spare parts	-	-	529	529
Total revenue from contracts with customers	11,386	186	529	12,101
Rental income	62,185	969	-	63,154
Total revenue	73,571	1,155	529	75,255
Timing of revenue recognition:				
At a point in time	-	-	529	529
Over time	11,386	186	-	11,572
Total revenue from contracts with customers	11,386	186	529	12,101
Geographical information:				
Singapore	56,214	64	204	56,482
Brunei	785	757	-	1,542
Middle East	3,343	-	-	3,343
India	6,559	-	-	6,559
Malaysia	1,076	199	-	1,275
Thailand	2,809	-	-	2,809
Indonesia	2,391	135	325	2,851
China	117	-	-	117
Other countries	277	-	-	277
Total revenue	73,571	1,155	529	75,255

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4.2. Disaggregation of revenue (continued)

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

A breakdown of sales:

	Group		
	FY2024 \$'000	FY2023 \$'000	Increase/ (Decrease) %
Sales reported for first half year	75,255	65,884	14
Profit after tax reported for first half year	10,856	7,218	50

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5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2023 and 30 June 2023:

	<u>Group</u>		<u>Company</u>	
	31 December 2023 \$'000	30 June 2023 \$'000	31 December 2023 \$'000	30 June 2023 \$'000
Financial Assets				
Cash and bank balances and trade and other receivables (Amortised cost)	120,338	122,951	318	1,122
Financial assets, at fair value through profit or loss	196	191	-	-
	<u>120,534</u>	<u>123,143</u>	<u>318</u>	<u>1,122</u>
Financial Liabilities				
Trade and other payables and borrowings (Amortised cost)	181,397	155,359	246	282

6. Profit before taxation

6.1. Significant items

	<u>Group</u>	
	31 December 2023 \$'000	31 December 2022 \$'000
Income		
Dividend income	-	6
Interest income	1,102	546
Insurance claims received	240	191
Government grant	6	206
Miscellaneous gains	313	974
Expenses		
Depreciation of property, plant and equipment	(15,922)	(15,554)
Depreciation of right-of-use assets	(397)	(537)
Currency exchange loss - net	(2,411)	(3,038)
Gain on disposal of property, plant and equipment	1,384	422
Gain on disposal of assets held-for-sale	601	-
Fair value gain/(loss) on financial assets at fair value through profit or loss	5	(4)
Impairment loss on trade receivables	(313)	(544)
Impairment loss on trade receivables written back	167	558
Interest expense	(1,936)	(1,725)

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6.2. Related party transactions

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

(a) Sales and purchases of goods and services

	Group	
	6 months ended	
	31 December	31 December
	2023	2022
	\$'000	\$'000
Sales to corporations in which certain directors or their close family members have control or significant influence over:		
- Sales and rental of equipment and rendering of services	29	111
Purchases from corporations in which certain directors or their close family members have control or significant influence over:		
- Rental of equipment	201	5

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	6 months ended	
	31 December	31 December
	2023	2022
	\$'000	\$'000
Salaries and other short-term employee benefits	3,625	2,976
Employer's contribution to defined contribution plans, including Central Provident Fund	130	132
	3,755	3,108

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7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	6 months ended	
	31 December	31 December
	2023	2022
	\$'000	\$'000
Current income tax expense	2,132	1,503
Deferred income tax expense relating to origination and reversal of temporary differences	1,112	733
	3,244	2,236

8. Dividends

	Group	
	FY2024	FY2023
	\$'000	\$'000
Ordinary dividends paid:		
Final dividend paid in respect of the previous financial year	2,318	1,159
Dividend per share* (net of tax)	1.0 cent	0.5 cent

*Based on total number of ordinary shares, excluding treasury shares, of 231,835,253 (31 December 2022: 231,835,253).

9. Net Asset Value

	Group		Company	
	As At	As At	As At	As At
	31 December	30 June	31 December	30 June
	2023	2023	2023	2023
	\$'000	\$'000	\$'000	\$'000
Net asset value per ordinary share (cents)	130.48	126.54	38.15	38.28
Number of shares excluding treasury shares	231,835,253	231,835,253	231,835,253	231,835,253

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

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

	Group	
	As At 31 December 2023 \$'000	As At 30 June 2023 \$'000
Equity securities – Singapore	196	191

10.1. Fair value measurement

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

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

The following table presented the assets measured at fair value:

	<u>Level 1</u> \$'000	<u>Level 2</u> \$'000	<u>Level 3</u> \$'000	<u>Total</u> \$'000
Group				
As at 31 December 2023				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	196	-	-	196
As at 30 June 2023				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	191	-	-	191

11. Property, plant and equipment

During the six months ended 31 December 2023, the Group acquired assets amounting to \$51,980,000 (31 December 2022: \$11,868,000) and disposed of assets amounting to \$3,602,000 (31 December 2022: \$1,079,000).

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12. Borrowings

	As At 31 December 2023 \$'000	Group As At 30 June 2023 \$'000
Amount repayable in one year or less (secured)		
- Bank borrowings	8,156	6,421
- Other secured borrowings	12,481	13,652
	20,637	20,073
Amount repayable in one year or less (unsecured)		
- Lease liabilities	689	695
	21,326	20,768
Amount repayable after one year (secured)		
- Bank borrowings	50,615	50,684
- Other secured borrowings	12,664	15,500
	63,279	66,184
Amount repayable after one year (unsecured)		
- Lease liabilities	11,970	12,296
	75,249	78,480
Total borrowings	96,575	99,248

Details of any collateral:

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

13. Share capital

As at 31 December 2023, the Group's share capital comprises fully paid up 231,835,253 (30 June 2023: 231,835,253) ordinary shares (excluding treasury shares) with no par value, amounting to a total of \$87,340,000 (30 June 2023: \$87,340,000).

During the six months ended 31 December 2023, the Company acquired Nil (31 December 2022: 400,000) ordinary shares in the open market. The total amount paid to acquire the shares was \$Nil (31 December 2022: \$192,000) and this was presented as a component within shareholder's equity. There were no outstanding convertibles as at 31 December 2023 and 30 June 2023. There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the interim financial period ended 31 December 2023.

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14. Earnings per share

	Group	
	6 months ended	
	31 December	31 December
	2023	2022
Profit attributable to equity holders of the Company (\$'000)	10,770	7,228
Weighted average number of ordinary shares (excluding treasury shares)	231,835,253	231,977,986
Earnings per ordinary shares for the period (cents)		
- Basic	4.65	3.12
- Diluted	4.65	3.12

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

15. Subsequent events

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

Other Information Required by Listing Rule Appendix 7.2

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

1. Review

The condensed consolidated statements of financial position of Tiong Woon Corporation Holding Ltd and its subsidiaries as at 31 December 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

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

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

Review on Group's Financial Results

6 Months ended 31 December 2023 (1HFY2024) vs 6 Months ended 31 December 2022 (1HFY2023)

<u>Revenue</u>	1HFY2024	1HFY2023	Increase/ (Decrease)
	\$'000	\$'000	%
<u>Heavy Lift and Haulage</u>			
- External	73,571	63,786	15%
- Inter-segment	198	219	(10%)
	73,769	64,005	15%
<u>Marine Transportation</u>			
- External	1,155	1,594	(28%)
- Inter-segment	1,154	995	(16%)
	2,309	2,589	(11%)
<u>Trading</u>			
- External	529	504	5%
Less: Inter-segment	(1,352)	(1,214)	11%
	75,255	65,884	14%

Revenue was \$75.3 million in 1HFY2024, an increase of \$9.4 million or 14% from \$65.9 million in 1HFY2023. The increase was mainly attributable to the increase in contributions from Heavy Lift and Haulage segment.

Heavy Lift and Haulage segment external revenue increased by \$9.8 million or 15% from \$63.8 million in 1HFY2023 to \$73.6 million in 1HFY2024, mainly due to higher revenue derived from Singapore, Thailand, Middle East and India offset by lower revenue derived from Indonesia.

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2. Review of performance of the Group (continued)

Review on Group's Financial Results (continued)

Marine Transportation segment external revenue decreased by \$0.4 million or 28% from \$1.6 million in 1HFY2023 to \$1.2 million in 1HFY2024, mainly due to fewer chartering jobs for external parties as compared to inter-segment.

Trading segment revenue remained stable at \$0.5 million for both 1HFY2024 and 1HFY2023.

Gross profit was \$32.9 million in 1HFY2024, an increase of \$4.5 million or 16% from \$28.4 million in 1HFY2023, mainly due to higher turnover from Heavy Lift and Haulage segment. **Gross profit margin** was higher at 44% in 1HFY2024 as compared to 43% in 1HFY2023, mainly due to higher margins earned by Heavy Lift and Haulage segment.

Other income was \$1.7 million in 1HFY2024, a decrease of \$0.3 million or 14% from \$1.9 million in 1HFY2023, mainly due to lower miscellaneous gains offset by higher interest income.

Impairment (loss)/written back on financial assets - net was a loss of \$0.1 million in 1HFY2024 as compared to a write back of \$0.01 million in 1HFY2023, mainly due to a decrease of \$0.4 million in recovery of previously impaired trade receivables offset by a decrease of \$0.2 million in impairment loss on trade receivables in 1HFY2024.

Other losses - net was \$0.4 million in 1HFY2024, a decrease of \$2.2 million or 84% from \$2.6 million in 1HFY2023. This was attributable to currency exchange loss of \$2.4 million offset by gain on disposal of property, plant and equipment of \$2.0 million in 1HFY2024, as compared to currency exchange loss of \$3.0 million offset by gain on disposal of property, plant and equipment of \$0.4 million in 1HFY2023.

Administrative expenses were \$0.9 million in 1HFY2024, an increase of \$0.3 million or 41% from \$0.6 million in 1HFY2023, mainly due to higher professional fees.

Finance expenses were \$1.9 million in 1HFY2024, an increase of \$0.2 million or 12% from \$1.7 million in 1HFY2023, mainly due to higher interest rates on bank borrowings during the current financial period.

Income tax expense was \$3.2 million in 1HFY2024, an increase of \$1.0 million or 45% from \$2.2 million in 1HFY2023, mainly due to higher tax provision made for current financial period profit.

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2. Review of performance of the Group (continued)

Review on Group's Financial Results (continued)

Profit/(Loss) Before Tax

	1HFY2024	1HFY2023	Increase/ (Decrease)
	\$'000	\$'000	%
Heavy Lift and Haulage	13,755	8,976	53%
Marine Transportation	312	553	(44%)
Trading	31	(75)	NM
	14,098	9,454	49%

Profit before income tax was \$14.1 million in 1HFY2024, an increase of \$4.6 million or 49% from \$9.5 million in 1HFY2023.

Heavy Lift and Haulage segment profit before income tax was \$13.8 million in 1HFY2024, an increase of \$4.8 million or 53% from \$9.0 million in 1HFY2023. This was mainly due to higher revenue and gain on disposal of property, plant and equipment offset by higher cost of sales and other operating expenses in 1HFY2024.

Marine Transportation segment recorded a profit before income tax of \$0.3 million in 1HFY2024, a decrease of \$0.2 million or 44% from \$0.6 million in 1HFY2023. This was mainly due to lower revenue and share of loss of associated companies in 1HFY2024 as compared to share of profit of associated companies in 1HFY2023.

Trading segment recorded a profit before income tax of \$0.03 million in 1HFY2024, as compared to a loss of \$0.08 million in 1HFY2023, mainly due to lower currency exchange loss in 1HFY2024.

Review of Statements of Financial Position and Cash Flows

Cash and cash equivalents per consolidated statement of cash flow decreased by \$15.7 million from \$74.7 million as at 30 June 2023 to \$58.9 million as at 31 December 2023 mainly due to net cash outflow from investing activities and financing activities of \$14.4 million and \$11.8 million respectively. This was offset by net cash inflows from operating activities of \$10.5 million. Net cash outflow from investing activities of \$14.4 million resulted mainly from purchases of property, plant and equipment of \$18.2 million, as well as fixed deposits of \$6.4 million placed in escrow relating to the purchase of property, plant and equipment. Net cash outflow from financing activities of \$11.8 million resulted mainly from repayment of bank borrowings and other secured borrowings of \$10.3 million, as well as dividends paid to equity holders of the Company of \$2.3 million.

Total trade and other receivables (current) increased by \$15.4 million from \$47.2 million as at 30 June 2023 to \$62.6 million as at 31 December 2023, mainly due to higher revenue recorded in the current financial period, as well as fixed deposits placed in escrow relating to purchase of property, plant and equipment amounting to \$6.4 million.

Other assets (current and non-current) increased by \$0.6 million from \$3.5 million as at 30 June 2023 to \$4.1 million as at 31 December 2023, mainly due to the increase in prepayments for insurance premium.

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2. Review of performance of the Group (continued)

Review on Group's Financial Results (continued)

Assets held-for-sale decreased by \$3.5 million from \$4.2 million as at 30 June 2023 to \$0.7 million as at 31 December 2023 as one of these assets were sold in 1HFY2024.

Total trade and other payables (current and non-current) increased by \$24.3 million from \$66.5 million as at 30 June 2023 to \$90.8 million as at 31 December 2023. The increase was mainly due to increase in purchases of equipment with longer credit terms.

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

Not applicable.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

The business environment continues to be uncertain, amid the confluence of ongoing geopolitical tensions, military conflicts, ensuing supply chain disruptions, a busy political calendar, challenges in the Chinese economy, still-high interest rates, as well as persistent cost pressures.

Notwithstanding the above-mentioned, the Group maintains its positive outlook, that customer demand for its Heavy Lift and Haulage solutions should remain resilient in Singapore, particularly in the petrochemical and construction sectors, as well as in key regional markets such as India, Saudi Arabia, and Thailand.

The Group will be vigilant in managing cashflow, operating costs, and potential business risks within the dynamic and uncertain operating environment.

We will continue to actively pursue opportunities that emerge from the requirements for infrastructure and petrochemical investments, leveraging our position as a prominent one-stop integrated heavy lift specialist and service provider.

5. Dividend Information

5(a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No interim dividend has been recommended for the financial period ended 31 December 2023 as the Company's current practice is to recommend dividend at the end of the financial year.

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

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

No dividend was declared for the corresponding period.

5(c) Date Payable

Not applicable.

5(d) Books Closure Date

Not applicable.

6. Interested person transactions

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

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

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	1HFY2024	1HFY2023	1HFY2024	1HFY2023
	\$'000	\$'000	\$'000	\$'000
Sales				
Pollisum Engineering Pte Ltd	29	111	-	-
Purchases				
Pollisum Engineering Pte Ltd	194	5	-	-
Pollisum Fabrication Pte Ltd	4	-	-	-

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

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the six months ended 31 December 2023 to be false or misleading, in any material aspect.

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

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

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

14 February 2024