



HUATIONG GLOBAL LIMITED

(UEN 201422395Z)

(Incorporated in Singapore)

Unaudited Condensed Interim Financial Statements

For the Second Half and Full Year ended

31 December 2021 (“FY2021”)

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HUATONG GLOBAL LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2021

	Note	Group				(+/-) %
		Second Half Ended 31 December		Financial Year Ended 31 December		
		2021 Unaudited S\$'000	2020 Unaudited S\$'000	2021 Unaudited S\$'000	2020 Audited S\$'000	
Revenue	3	77,227	91,895	170,441	115,958	47.0
Cost of sales and services		(59,117)	(80,687)	(148,798)	(112,145)	32.7
Gross profit		18,110	11,208	21,643	3,813	467.6
Other income		3,190	6,725	7,795	10,424	(25.2)
Administrative expenses		(13,024)	(8,255)	(18,977)	(15,837)	19.8
Other expenses		(830)	(39)	(978)	(590)	65.8
Loss allowance on trade receivables and contract assets		(2,339)	(1,677)	(2,339)	(5,663)	(58.7)
Impairment of financial assets at FVOCI		-	(264)	-	(264)	100.0
Finance costs		(1,253)	(1,343)	(2,778)	(3,563)	(22.0)
Share of results of a joint venture		365	913	1,016	915	11.0
Profit/(loss) before income tax	4	4,219	7,268	5,382	(10,765)	150.0
Income tax (expense)/credit	5	(104)	3,377	(196)	3,367	105.8
Profit/(loss) for the financial period/year		4,115	10,645	5,186	(7,398)	170.1
Other comprehensive income/(loss):						
Items that may be reclassified subsequently to profit or loss:						
Fair value changes on financial assets at FVOCI		(37)	(150)	55	(159)	n.m.
Reclassification of fair value loss in fair value reserve to profit and loss		-	150	-	264	(100.0)
Reversal of fair value loss in fair value reserve upon redemption		-	(1)	-	-*	-
Items that will not be classified subsequently to profit or loss:						
Gain/(loss) on revaluation of property, plant and equipment		378	(522)	544	(70)	n.m.
Other comprehensive income/(loss), net of tax		341	(523)	599	35	n.m.
Total comprehensive income/(loss) for the financial period/year		4,456	10,122	5,785	(7,363)	n.m.
Profit/(loss) attributable to:						
Owners of the parent		4,314	10,572	5,326	(7,471)	n.m.
Non-controlling interests		(199)	73	(140)	73	n.m.
		4,115	10,645	5,186	(7,398)	n.m.
Total comprehensive income/(loss) attributable to:						
Owners of the parent		4,655	10,049	5,925	(7,436)	n.m.
Non-controlling interests		(199)	73	(140)	73	n.m.
		4,456	10,122	5,785	(7,363)	n.m.
Earnings/(losses) per share attributable to owners of the parent:						
- Basic and diluted (in cents)		2.73	6.98	3.44	(4.94)	

Note:

- (1) FVOCI: fair value through other comprehensive income
- (2) n.m. denotes not meaningful
- (3) * Less than one thousand Singapore dollars

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

HUATONG GLOBAL LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

	Group		Company	
	31.12.2021 Unaudited S\$'000	31.12.2020 Audited S\$'000	31.12.2021 Unaudited S\$'000	31.12.2020 Audited S\$'000
Assets				
Non-current assets				
Property, plant and equipment	6 42,328	38,028	-	-
Right-of-use assets	7 54,191	69,760	-	-
Financial assets at FVTPL	10 5,693	5,387	-	-
Amounts owing from subsidiaries	-	-	10,798	-
Investments in subsidiaries	-	-	41,735	41,735
Investment in a joint venture	1,722	706	-	-
Intangible assets	9 79	95	11	14
	104,013	113,976	52,544	41,749
Current assets				
Contract assets	76,044	72,479	-	-
Financial assets at FVOCI	11 829	783	-	-
Inventories	1,400	1,271	-	-
Trade and other receivables	31,393	45,666	1,012	1,660
Prepayments	2,681	4,568	-	3
Current income tax recoverable	-	429	-	-
Cash and cash equivalents	10,346	32,896	319	52
	122,693	158,092	1,331	1,715
Total assets	226,706	272,068	53,875	43,464
Liabilities				
Current liabilities				
Contract liabilities	4,399	11,334	-	-
Trade and other payables	38,255	58,755	254	192
Lease liabilities	8 15,161	15,679	-	-
Derivative financial liabilities	-	28	-	-
Bank borrowings	8 40,781	63,637	-	-
Deferred income	272	1,033	-	-
Current income tax payable	669	-	-	-
	99,537	150,466	254	192
Non-current liabilities				
Other payables	8,784	-	-	-
Amounts owing to subsidiaries	-	-	8,370	-
Lease liabilities	8 25,834	37,805	-	-
Bank borrowings	8 16,868	15,617	-	-
Deferred income	-	272	-	-
Deferred tax liabilities	3,557	3,972	-	-
	55,043	57,666	8,370	-
Total liabilities	154,580	208,132	8,624	192
Net assets	72,126	63,936	45,251	43,272
Equity				
Share capital	12 41,081	38,676	41,081	38,676
Other reserves	(16,228)	(16,827)	-	-
Accumulated profits	48,219	42,893	4,170	4,596
Equity attributable to owners of the parent	73,072	64,742	45,251	43,272
Non-controlling interests	(946)	(806)	-	-
Total equity	72,126	63,936	45,251	43,272

Note:

(1) FVTPL: fair value through profit or loss

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

HUATIONG GLOBAL LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

Group (Unaudited)	Note	Share capital \$'000	Accumulated profits \$'000	Other reserves \$'000	Total equity attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance as at 1.1.2021		38,676	42,893	(16,827)	64,742	(806)	63,936
Profit/(loss) for the financial year		–	5,326	–	5,326	(140)	5,186
Other comprehensive income:							
- Gain on revaluation of property, plant and equipment		–	–	544	544	–	544
- Fair value gain on financial assets at FVOCI	11	–	–	55	55	–	55
		–	–	599	599	–	599
Total comprehensive income/(loss) for the financial year		–	5,326	599	5,925	(140)	5,785
Issuance of ordinary shares		2,405	–	–	2,405	–	2,405
Balance as at 31.12.2021		41,081	48,219	(16,228)	73,072	(946)	72,126

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

HUATIONG GLOBAL LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)
For the financial year ended 31 December 2021

Group (Audited)	Share capital \$'000	Accumulated profits \$'000	Other reserves \$'000	Total equity attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance as at 1.1.2020	38,676	50,364	(16,862)	72,178	(879)	71,299
(Loss)/profit for the financial year	–	(7,471)	–	(7,471)	73	(7,398)
Other comprehensive income/(loss):						
- Loss on revaluation of property, plant and equipment	–	–	(70)	(70)	–	(70)
- Fair value loss on financial assets at FVOCI	–	–	(159)	(159)	–	(159)
- Reversal of fair value loss in fair value reserve upon redemption	–	–	–*	–	–	–
- Reclassification of fair value loss in fair value reserve to profit or loss	–	–	264	264	–	264
	–	–	–	–	–	–
Total comprehensive income/(loss) for the financial year	–	(7,471)	35	(7,436)	73	(7,363)
Balance as at 31.12.2020	38,676	42,893	(16,827)	64,742	(806)	63,936

* Less than one thousand Singapore dollars

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

HUATONG GLOBAL LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

	Share capital \$'000	Accumulated profits \$'000	Total equity \$'000
Company (Unaudited)			
Balance as at 1.1.2021	38,676	4,596	43,272
Loss and total comprehensive loss for the financial year	–	(426)	(426)
Issuance of ordinary shares	2,405	–	2,405
Balance as at 31.12.2021	41,081	4,170	45,251
Company (Audited)			
Balance as at 1.1.2020	38,676	5,043	43,719
Loss and total comprehensive loss for the financial year	–	(447)	(447)
Balance as at 31.12.2020	38,676	4,596	43,272

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

HUATONG GLOBAL LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2021

	Group	
	Financial Year Ended 31 December	
	2021	2020
	S\$'000	S\$'000
Cash flows from operating activities		
Profit/(Loss) before income tax	5,382	(10,765)
Adjustments for:		
Depreciation of property, plant and equipment	8,293	8,090
Depreciation of right-of-use assets	10,306	12,053
Amortisation of intangible assets	16	15
Loss allowance on trade receivables and contract assets	2,339	5,663
Impairment of financial assets at FVOCI	-	264
Reversal of allowance for impairment of financial assets at FVOCI upon redemption	(11)	(10)
Gain on disposal of property, plant and equipment and right-of-use assets	(126)	(156)
Loss on lease modification	272	78
Amortisation of gain on sale and leaseback transactions	(685)	(793)
Interest expenses	2,573	3,368
Interest income	(59)	(58)
Share of results of a joint venture	(1,016)	(915)
Fair value gain of financial assets at FVTPL	(185)	(179)
Fair value gain of derivative financial instruments	-	28
Unrealised exchange differences, net	(4)	13
Operating cash flows before working capital changes	27,095	16,696
Working capital changes:		
Trade and other receivables	13,951	(12,491)
Prepayments	1,887	(3,447)
Contract assets, net	(12,865)	20,851
Inventories	(129)	8
Trade and other payables	(11,549)	10,747
Cash generated from operations	18,390	32,364
Interest received	5	3
Income tax refund/(paid)	376	(252)
Net cash from operating activities	18,771	32,115
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,764)	(763)
Deposit for purchase of property, plant and equipment	-	(38)
Interest received	54	55
Dividend received from a joint venture	-	3,000
Proceeds from disposal of property, plant and equipment and right-of-use assets	230	577
Proceeds from redemption of financial assets at FVOCI	20	20
Net cash (used in)/from investing activities	(1,460)	2,851
Cash flows from financing activities		
Issuance of new ordinary shares	2,405	-
Proceeds from trust receipts	80,392	58,060
Repayments of trust receipts	(88,368)	(51,856)
Proceeds from term loans	7,871	9,201
Repayments of term loans	(21,618)	(3,406)
Interest paid	(2,344)	(3,100)
Repayments of lease liabilities	(18,171)	(15,453)
Settlement on derivative financial instruments	(28)	-
Net cash used in financing activities	(39,861)	(6,554)
Net changes in cash and cash equivalents	(22,550)	28,412
Cash and cash equivalents at beginning of the financial year	32,896	4,484
Cash and cash equivalents at end of the financial year	10,346	32,896

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

HUATONG GLOBAL LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS For the financial year ended 31 December 2021

1. General corporate information

Huatong Global Limited (the “Company”) is a limited liability company incorporated and domiciled in Singapore. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The Company’s registered office address and principal place of business is at 9 Benoi Crescent, Singapore 629972. The Company’s registration number is 201422395Z.

The Company’s immediate and ultimate holding company is Dandelion Capital Pte. Ltd., a company incorporated in Singapore, which is controlled by Ng Hai Liong, Ng Kian Ann Patrick and Ng Kian Yeow, Vincent.

The principal activity of the Company is that of investment holding company.

2. Significant accounting policies

(a) Basis of preparation

The condensed interim financial statements for the full year ended 31 December 2021 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 year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s.

The condensed interim financial statements are presented in Singapore Dollar (SGD or S\$), which is the Company’s functional currency, and all values in the tables are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I)s and Interpretations of SFRS(I)s (“INT SFRS(I)”) that are relevant to its operations and effective for the current financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s and INT SFRS(I).

The adoption of these new and revised SFRS(I)s and INT SFRS(I) did not have any material effect on the financial results or position of the Group and the Company.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ending 31 December 2021 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

2. Significant accounting policies (cont'd)

Basis of preparation (Cont'd)

(b) Use of estimates and judgements

The preparation of condensed interim financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the financial year are disclosed in Note 3 in our financial year ended 31 December 2020 Annual Report.

The carrying amounts of cash and cash equivalents, trade and other receivables and payables and current bank borrowings approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

3. Revenue

The Group is organised into business units based on its services, and has four reportable operating segments as follows:

(a) Disaggregation of revenue

	Group	
	31.12.2021	31.12.2020
	(Unaudited)	(Audited)
	\$'000	\$'000
By nature:		
Revenue from civil engineering contract works	153,069	105,071
Inland logistics support service income	12,070	9,264
Sales of construction materials	4,173	1,623
Dormitory operation	1,129	-
	170,441	115,958

(b) Segmentation information

These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments.

Due to the nature of the Group's operations, no segment assets and liabilities are presented to the chief operating decision maker. Chief operating decision maker manages the assets, liabilities, finance costs and income taxes on a Group basis.

3 Revenue (cont'd)**(b) Segment information (cont'd)**

Operating segments	Civil engineering contract works \$'000	Inland logistics support \$'000	Sale of construction materials \$'000	Dormitory operation \$'000	Unallocated \$'000	Elimination \$'000	Consolidated \$'000
For the full year ended 31.12.2021 (Unaudited)							
<i>Revenue</i>							
External revenue	153,069	12,070	4,173	1,129	–	–	170,441
Inter-segment revenue	7,184	2,286	684	–	–	(10,154)	–
	160,253	14,356	4,857	1,129	–	(10,154)	170,441
<i>Results</i>							
Segment results	21,487	(2,789)	907	478	(12,420)	(783)	6,880
Share of results of a joint venture	1,016	–	–	–	–	–	1,016
Interest income							59
Interest expenses							(2,573)
Profit before income tax							5,382
Income tax expenses							(196)
Profit for the financial year							5,186
<i>Non-cash items</i>							
Amortisation of gain on sale and leaseback transactions	685	–	–	–	–	–	685
Gain on disposal of property, plant and equipment and right-of-use assets	–	–	–	–	126	–	126
Depreciation of property, plant and equipment	(6,666)	(1,065)	(203)	–	(476)	117	(8,293)
Depreciation of right-of-use assets	(9,956)	(29)	(84)	–	(237)	–	(10,306)
Amortisation of intangible assets	–	–	–	–	(16)	–	(16)
Loss allowance on trade receivables and contract assets	(2,405)	20	46	–	–	–	(2,339)
Reversal of allowance for impairment of financial assets at FVOCI upon redemption	–	–	–	–	11	–	11
Fair value gain of financial assets at FVTPL	–	–	–	–	185	–	185

3 Revenue (cont'd)

(b) Segment information (cont'd)

Operating segments	Civil engineering contract works \$'000	Inland logistics support \$'000	Sale of construction materials \$'000	Unallocated \$'000	Elimination \$'000	Consolidated \$'000
For the full year ended 31.12.2020 (Audited)						
<i>Revenue</i>						
External revenue	105,071	9,264	1,623	–	–	115,958
Inter-segment revenue	6,348	1,263	113	–	(7,724)	–
	111,419	10,527	1,736	–	(7,724)	115,958
<i>Results</i>						
Segment results	(3,061)	1,812	(305)	(1,434)	(5,382)	(8,370)
Share of results of a joint venture	915	–	–	–	–	915
Interest income	–	–	–	–	–	58
Interest expenses	–	–	–	–	–	(3,368)
Loss before income tax	–	–	–	–	–	(10,765)
Income tax credit	–	–	–	–	–	3,367
Loss for the financial period	–	–	–	–	–	(7,398)
<i>Non-cash items</i>						
Amortisation of gain on sale and leaseback transactions	793	–	–	–	–	793
Gain on disposal of property, plant and equipment and right-of-use assets	–	–	–	156	–	156
Depreciation of property, plant and equipment	(6,328)	(1,095)	(180)	(604)	117	(8,090)
Depreciation of right-of-use assets	(11,698)	(68)	(21)	(266)	–	(12,053)
Amortisation of intangible assets	–	–	–	(15)	–	(15)
Impairment of financial assets at FVOCI	–	–	–	(264)	–	(264)
Fair value gain of financial assets at FVTPL	–	–	–	179	–	179
Fair value loss on derivative financial instruments	–	–	–	(28)	–	(28)
Reversal of allowance for impairment of financial assets at FVOCI upon redemption	–	–	–	10	–	10
Loss allowance on trade receivables and contract assets	(5,611)	(23)	(29)	–	–	(5,663)

4. Profit/(Loss) before income tax

In addition to those disclosed elsewhere in the condensed interim financial statements, profit/(loss) before income tax is arrived at after charging/(crediting) the following:

	Group	
	For the full year ended	
	31.12.2021	31.12.2020
	(Unaudited)	(Audited)
	\$'000	\$'000
<i>Cost of sales and services</i>		
Employee benefits expense		
- salaries, wages and other benefits	19,533	14,369
- contribution to Central Provident Fund	257	160
Depreciation of property, plant and equipment	7,933	7,603
Depreciation of right-of-use assets	10,069	11,787
Diesel/fuel costs	13,725	8,300
Material costs	22,143	23,296
Short-term lease expense		
- trucks and equipment	3,021	2,739
- rental of premises	484	885
Repair and maintenance	9,071	5,081
Subcontract costs	55,440	31,697
<i>Administrative expenses</i>		
Employee benefits expense		
- salaries, wages and other benefits	14,344	11,141
- contribution to Central Provident Fund	784	741
Directors' fees	125	125
Directors' remuneration		
- salaries, wages and other benefits	1,497	1,170
- contribution to Central Provident Fund	51	51
Depreciation of property, plant and equipment	360	487
Depreciation of right-of-use assets	237	266
Short-term lease expense		
- construction site and other operating facilities	424	61
<i>Other income</i>		
Amortisation of gain on sale and leaseback transactions	(685)	(793)
Government grants income	(3,800)	(7,515)
Sundry income	(1,546)	(850)

5. Income tax expense

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 comprehensive income are:

	Group	
	For the full year ended	31.12.2020
	31.12.2021	31.12.2020
	(Unaudited)	(Audited)
	S\$'000	S\$'000
<i>Income tax:</i>		
– current financial year	640	8
– under/(over) provision in respect of prior years	82	(298)
	722	(290)
<i>Deferred tax:</i>		
– current financial year	(62)	(2,083)
– over provision in prior financial year	(416)	(876)
– reversal of deferred tax liabilities on revaluation upon depreciation	(48)	(118)
	(526)	(3,077)
	196	(3,367)

6. Property, plant and equipment

	(Unaudited) \$'000
Group	
Cost or valuation	
Balance as at 1.1.2021	103,408
Additions	6,020
Reclassified to right-of-use assets upon obtaining financing through leases (Note 7)	(4,391)
Reclassified from right-of-use assets upon full payment (Note 7)	22,728
Disposals	(587)
Revaluation	(250)
Balance as at 31.12.2021	<u>126,928</u>
Accumulated depreciation	
Balance as at 1.1.2021	65,264
Depreciation	8,293
Reclassified to right-of-use assets upon obtaining financing through leases (Note 7)	(202)
Reclassified from right-of-use assets upon full payment (Note 7)	12,481
Disposals	(479)
Elimination of depreciation on revaluation	(905)
Balance as at 31.12.2021	<u>84,452</u>
Accumulated impairment losses	
Balance as at 1.1.2021	116
Reclassified from right-of-use assets upon full payment (Note 7)	36
Disposal	(4)
Balance as at 31.12.2021	<u>148</u>
Net carrying amount	
Balance as at 31.12.2021	<u><u>42,328</u></u>

7. Right-of-use assets

The Group has lease contracts for land-use-rights for leasehold properties and construction sites, machineries, trucks and vehicles and worksite equipment. The Group's obligation under these leases are secured by the lessor's title to the leased assets. There are no externally imposed restrictions on these lease arrangements for right-of-use assets. Except for the land-use-rights for leasehold properties and construction sites, the Group is not restricted from assigning and subleasing the leased assets.

	(Unaudited) \$'000
Group	
Cost	
Balance as at 1.1.2021	94,311
Additions	2,894
Reclassified from property, plant and equipment upon obtaining financing through leases (Note 6)	4,391
Modification to lease terms	(3,813)
Reclassified to property, plant and equipment upon full payment (Note 6)	(22,728)
Balance as at 31.12.2021	<u>75,055</u>
Accumulated depreciation	
Balance as at 1.1.2021	24,485
Depreciation	10,306
Reclassified from property, plant and equipment upon obtaining financing through leases (Note 6)	202
Modification to lease terms	(1,678)
Reclassified to property, plant and equipment upon full payment (Note 6)	(12,481)
Balance as at 31.12.2021	<u>20,834</u>
Accumulated impairment losses	
Balance as at 1.1.2021	66
Reclassified to property, plant and equipment upon full payment (Note 6)	(36)
Balance as at 31.12.2021	<u>30</u>
Net carrying amount	
Balance as at 31.12.2021	<u>54,191</u>

8. Loans and borrowings

Group	As at	
	31.12.2021 (Unaudited) S\$'000	31.12.2020 (Audited) S\$'000
<u>Amount repayable within one year or on demand</u>		
Secured	39,735	38,847
Unsecured	16,207	40,469
	55,942	79,316
<u>Amount repayable after one year</u>		
Secured	33,753	39,301
Unsecured	8,949	14,121
	42,702	53,422
Total loans and borrowings	98,644	132,738

Loans and Borrowings

Bank borrowings

As at 31 December 2021, the Group's bank borrowings amounted to S\$57.6 million (31 December 2020: S\$79.2 million), of which S\$40.5 million (31 December 2020: S\$36.7 million) was secured by mortgages over a leasehold property and beneficial interest arising from certain insurance policies undertaken by the Group.

Lease liabilities

As at 31 December 2021, the Group's lease liabilities amounted to S\$41.0 million (31 December 2020: S\$53.5 million), of which S\$33.0 million (31 December 2020: S\$41.4 million) was secured by the Group's leased plant and equipment with net carrying amount of S\$46.9 million as at 31 December 2021 (31 December 2020: S\$58.6 million).

All the bank borrowings and the secured lease liabilities were supported by corporate guarantees given by the Company.

9. Intangible assets

	31.12.2021 (Unaudited) \$'000
Group	
Cost	
Balance as at 1.1.2021	<u>195</u>
Accumulated amortisation	
Balance as at 1.1.2021	(57)
Amortisation for the financial year	(16)
Balance as at 31.12.2021	<u>(73)</u>
Accumulated impairment losses	
Balance as at 1.1.2021 and 31.12.2021	<u>(43)</u>
Net carrying amount	
Balance as at 31.12.2021	<u>79</u>
	31.12.2021 (Unaudited) \$'000
Company	
Cost	
Balance as at 1.1.2021	<u>26</u>
Accumulated amortisation	
Balance as at 1.1.2021	(12)
Amortisation for the financial year	(3)
Balance as at 31.12.2021	<u>(15)</u>
Net carrying amount	
Balance as at 31.12.2021	<u>11</u>

10. Financial assets at FVTPL

	Group	
	As at	
	31.12.2021	31.12.2020
	(Unaudited)	(Audited)
	\$'000	\$'000
Investments in life insurances, at fair value		
- Life Insurance Policy I	2,744	2,600
- Life Insurance Policy II	2,949	2,787
	<u>5,693</u>	<u>5,387</u>

Movements of investments in life insurances are as follows:

	Group	
	As at	
	31.12.2021	31.12.2020
	(Unaudited)	(Audited)
	\$'000	\$'000
Balance as at the beginning of the financial year	5,387	5,315
Unrealised foreign exchange gain/(loss)	121	(107)
Fair value gain of financial assets at FVTPL	185	179
Balance as at the end of the financial year	<u>5,693</u>	<u>5,387</u>

The investments in life insurances are denominated in United States dollars.

11. Financial assets at FVOCI

	Group As at	
	31.12.2021 (Unaudited) \$'000	31.12.2020 (Audited) \$'000
<i>Financial assets measured at FVOCI</i>		
Quoted debt securities, at fair value		
- Instrument I	829	783

Movements of investments in quoted debt securities are as follows:

	Group As at	
	31.12.2021 (Unaudited) \$'000	31.12.2020 (Audited) \$'000
Balance as at the beginning of the financial year	783	952
Redemption during the financial year	(8)	(10)
Interest earned	53	55
Interest received	(54)	(55)
Fair value gain/(loss) recognised in other comprehensive income, net	55	(159)
Balance as at the end of the financial year	829	783

The investments in quoted debt securities are denominated in Singapore dollar.

12. Share capital

	Group and Company			
	As at		As at	
	31.12.2021 (Unaudited)	31.12.2020 (Audited)	31.12.2021 (Unaudited)	31.12.2020 (Audited)
	Number of ordinary shares		\$'000	\$'000
<u>Issued and fully-paid</u>				
Balance as at the beginning of the financial year	151,384,600	151,384,600	38,676	38,676
Issuance of new ordinary shares	25,000,000	-	2,405	-
Balance as at end of financial year	176,384,600	151,384,600	41,081	38,676

There was an issuance of 25.0 million new ordinary shares via a Placement exercise during the financial year.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

13. Significant related party transactions

During the financial year, in addition to the information disclosed elsewhere in this condensed interim financial statements, the Group entered into the following transactions with related parties at rates and terms agreed between the parties:

	Group	
	For the full year ended	31.12.2020
	31.12.2021	(Audited)
	(Unaudited)	\$'000
	\$'000	\$'000
<i>With related parties*</i>		
Rental of equipment and trucks from related parties	<u>1,938</u>	<u>1,561</u>
<i>With a joint venture</i>		
Provision of subcontract services to a joint venture	<u>1,272</u>	<u>1,761</u>

* The related parties refer to entities controlled by or associated with the Executive Directors of the Company which are not within the Group.

14. Financial instruments

Financial instruments at their carrying amounts at the end of the reporting year are as follows:

	Group		Company	
	As at		As at	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	\$'000	\$'000	\$'000	\$'000
<i>Financial assets</i>				
Financial assets at amortised cost	41,350	78,285	12,129	1,712
Financial assets at FVTPL	5,693	5,387	–	–
Financial assets at FVOCI	829	783	–	–
<hr/>				
<i>Financial liabilities</i>				
Financial liabilities at amortised cost	145,067	189,887	8,624	192
Derivative financial liabilities	–	28	–	–
<hr/>				

F. Other information required by Appendix 7C of the Catalyst Rules

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

There was a change in the Company’s share capital from 31 December 2020 to 31 December 2021. During the financial year, the Company has issued a 25.0 million new ordinary share through Placement exercise.

There were no outstanding options, convertibles, treasury shares or subsidiary holdings as at 31 December 2021 and 31 December 2020.

- 1(a) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year**

	31.12.2021	31.12.2020
Total number of issued shares excluding treasury shares	176,384,600	151,384,600

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures have neither been audited nor reviewed by the Company’s auditors.

- 3. Where the figures have been audited or reviewed, the auditors’ report (including any modifications or emphasis of a matter)**

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion, (a) Updates on the efforts taken to resolve each outstanding audit issue. (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group and the Company have 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 December 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 adopted the new/revised Singapore Financial standards (International) ("SFRS(I)s") that are effective for annual periods beginning on or after 1 January 2021. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The adoption of the new SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group for the current financial reporting period.

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

Group

<u>Earnings per ordinary share</u>	Second Half Ended 31 December		Financial Year Ended 31 December	
	2021 Unaudited	2020 Unaudited	2021 Unaudited	2020 Audited
Profit/(loss) attributable to owners of the Company (S\$'000)	4,314	10,572	5,326	(7,471)
Weighted average number of ordinary shares	158,042,209	151,384,600	154,740,764	151,384,600
Basic and diluted EPS (Singapore cents)	2.73	6.98	3.44	(4.94)

(a) Basic earnings per share ("EPS") is calculated by dividing the Profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial years.

(b) The basic and diluted EPS are the same as there were no potential dilutive ordinary shares in issue as at 31 December 2021 and 31 December 2020.

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	
	31.12.2021 Unaudited	31.12.2020 Audited	31.12.2021 Unaudited	31.12.2020 Audited
Net asset value per ordinary share (Singapore cents)	40.9	42.2	25.7	28.6
Number of ordinary shares in issue	176,384,600	151,384,600	176,384,600	151,384,600

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:-**
- (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.

Consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2021 (“FY2021”) vs the financial year ended 31 December 2020 (“FY2020”)

The Group's revenue increased by approximately S\$54.4 million or 47.0% from S\$116.0 million in FY2020 to S\$170.4 million in FY2021 mainly due to a higher level of business activities in our business segments after some easing measures from the Circuit Breaker. Cost of sales and services increased by approximately S\$36.7 million or 32.7% from S\$112.1 million in FY2020 to S\$148.8 million in FY2021. The Group recorded a gross profit of S\$21.6 million in FY2021 as compared to a gross profit of S\$3.8 million in FY2020.

Depreciation expenses decreased by approximately S\$1.5 million or 7.5% from S\$20.1 million in FY2020 to S\$18.6 million in FY2021. The decrease was mainly due to a net effect from disposal of plant and equipment and certain of the plant and equipment has been fully depreciated in FY2021.

Other income decreased by approximately S\$2.6 million or 25.2% from S\$10.4 million in FY2020 to S\$7.8 million in FY2021. The decrease was mainly due to a decrease S\$3.7 million in Government grant from S\$7.5 million in FY2020 to S\$3.8 million in FY2021 and partially offset by an increase in other sundry income of S\$1.1 million in FY2021.

Administrative expenses increased by approximately S\$3.2 million or 19.8% from S\$15.8 million in FY2020 to S\$19.0 million in FY2021. The increase was mainly due to higher cost to recruit, sustain in staffs, the upkeep of our foreign workers during the Covid-19 pandemic and a provisional amount of S\$0.1 million on other accrued expenses in FY2021.

Other expenses increased by approximately S\$0.4 million or 65.8% from S\$0.6 million in FY2020 to S\$1.0 million in FY2021. The increase was mainly due to a loss on lease modification of S\$0.3 million in FY2021.

Loss on allowance on trade receivables and contract assets decreased by approximately S\$3.4 million or 58.7% from S\$5.7 million in FY2020 to S\$2.3 million in FY2021.

Finance costs decreased by approximately S\$0.8 million or 22.0% from S\$3.6 million in FY2020 to S\$2.8 million in FY2021 primarily due to a lower utilisation of bank borrowing.

The Group recorded a profit of approximately S\$1.0 million from the share of profit of a joint venture company in FY2021 as compared to a profit of approximately S\$0.9 million in FY2020 due to higher amount of business activities executed from the joint venture company in FY2021.

Overall, the Group recorded a profit before income tax and net profit attributable to owners of the parent in FY2021 of approximately S\$5.4 million and S\$5.3 million respectively.

Consolidated statement of financial position of the Group as at 31 December 2021

Non-current Assets

As at 31 December 2021, the Group recorded a total of S\$42.3 million Property, plant and equipment (“PPE”) as compared to S\$38.0 million as at 31 December 2020. The increase in PPE of approximately S\$4.3 million or 11.3% was mainly due to the net effect of additions of PPE of S\$6.0 million, a net reclassification of S\$10.2 million from Right-of-use assets (“ROU”) to PPE due to full settlement of hire purchase and a gain from revaluation of a leasehold property of S\$0.6 million, partially offset by the depreciation charge of S\$8.3 million and a net reclassification of S\$4.2 million from PPE to ROU assets upon obtaining financing through leases in FY2021.

As at 31 December 2021, the Group had a total S\$54.2 million ROU assets as compared to S\$69.8 million as at 31 December 2020. The decrease in ROU of approximately S\$15.6 million or 22.3% was mainly due to the depreciation charge of approximately S\$10.3 million, a net reclassification of S\$10.2 million from ROU to PPE due to full settlement of hire purchase, a modification to lease term which lead to a deduction of carrying amount of ROU assets of approximately S\$2.2 million resulted from lease modifications, partially offset by a net effect of a reclassification from PPE upon obtaining financing through leases of S\$4.2 million and an addition of ROU amounting to S\$2.9 million in FY2021.

As at 31 December 2021, the Group’s financial assets at FVTPL amounted to S\$5.7 million as compared to S\$5.4 million as at 31 December 2020. The increase of approximately S\$0.3 million or 5.6% was mainly due to an unrealized foreign exchange gain and a fair value gain of the financial assets of approximately S\$0.3 million during the financial year.

As at 31 December 2021, the Group’s investment in a joint venture increased to S\$1.7 million as compared to S\$0.7 million as at 31 December 2020. The increase of approximately S\$1.0 million or 142.9% was mainly due to more work been executed and recognized during the financial year.

Current assets

Contract assets increased by approximately S\$3.5 million or 4.8% from S\$72.5 million as at 31 December 2020 to S\$76.0 million as at 31 December 2021 mainly due to certain work executed but pending billing in FY2021.

Financial assets at FVOCI increased by S\$46,000 or 5.9% from S\$783,000 as at 31 December 2020 to S\$829,000 as at 31 December 2021.

Inventory increased by approximately S\$0.1 million or 7.7% from S\$1.3 million as at 31 December 2020 to S\$1.4 million as at 31 December 2021. The marginal increase was mainly due to purchase of construction materials, hardware parts and consumables for our projects’ usage.

Trade and other receivables decreased by approximately S\$14.3 million or 31.3% from S\$45.7 million as at 31 December 2020 to S\$31.4 million as at 31 December 2021. The decrease was in line with the increase in contract assets in FY2021.

Prepayments decreased by approximately S\$1.9 million or 41.3% from S\$4.6 million as at 31 December 2020 to S\$2.7 million as at 31 December 2021 due to the amortisation of prepaid expenses and lower advance payments to overseas suppliers during the financial year.

Current income tax recoverable decreased by S\$0.4 million or 100.0% from S\$0.4 million as at 31 December 2020 to S\$Nil as at 31 December 2021 mainly due to a net refund of S\$0.4 million in FY2021.

Cash and cash equivalents decreased by approximately S\$22.6 million or 68.7% from S\$32.9 million as at 31 December 2020 to S\$10.3 million as at 31 December 2021. The decrease was mainly due to the net cash used in financing activities, which included repayments of bank borrowings of approximately S\$39.9 million, a net cash used in investing activities of S\$1.5 million and partially offset by the cash generated from operating activities of S\$18.8 million.

Current liabilities

Contract liabilities decreased by approximately S\$6.9 million or 61.1% from S\$11.3 million as at 31 December 2020 to S\$4.4 million as at 31 December 2021, mainly due to lower advance billing in FY2021.

Trade and other payables decreased by approximately S\$20.5 million or 34.9% from S\$58.8 million as at 31 December 2020 to S\$38.3 million as at 31 December 2021. This was mainly due to the prompt payment to suppliers and subcontractors as they need the payment for their execution of works in FY2021.

Lease liabilities payable within one year decrease by S\$0.5 million or 3.2% from S\$15.7 million as at 31 December 2020 to S\$15.2 million as at 31 December 2021. This was mainly due to full settlement on certain leased vehicles with financial institutions in FY2021.

Short-term bank borrowings decreased by approximately S\$22.8 million or 35.8% from S\$63.6 million as at 31 December 2020 to S\$40.8 million as at 31 December 2021. The decrease was mainly due to a net effect of loan repayment and scale down of bank facilities due to the maturity of short-term loans.

Deferred income to be recognised within 12 months decreased by S\$0.7 million or 70.0% from S\$1.0 million as at 31 December 2020 to S\$0.3 million as at 31 December 2021. The decrease was mainly due to the recognition of amortisation of deferred income in respect of PPE disposed in FY2021.

Non-current liabilities

Total non-current liabilities decreased by S\$2.7 million or 4.7% from S\$57.7 million as at 31 December 2020 to S\$55.0 million as at 31 December 2021. The decrease was mainly due to a net effect of loan repayment and scale down of bank facilities due to the maturity of certain term loans during the financial year.

Net current assets

The Group posted a positive net current assets of approximately S\$23.2 million as at 31 December 2021 as compared to a positive net current assets of S\$7.6 million as at 31 December 2020.

Statement of Cash flows of the Group for FY2021

As at 31 December 2021, the Group recorded cash and cash equivalents of S\$10.3 million as compared to S\$32.9 million as at 31 December 2020.

Net cash flows generated from operating activities in FY2021, after meeting working capital requirements and net of tax paid, were approximately S\$18.8 million. In which, the net working capital outflow of S\$8.7 million was the net effect of decrease in trade and other receivables of S\$14.0 million and a decrease in prepayments of S\$1.9 million, which was partially offset by an increase in inventory of S\$0.1 million, a decrease in trade and other payables of S\$11.6 million and an increase in net contract assets of S\$12.9 million.

Net cash used in investing activities in FY2021, amounted to S\$1.5 million, mainly due to an addition of plant and equipment of S\$1.8 million and partially offset by the proceeds from disposal of plant and equipment, interest received and redemption of financial assets at FVOCI of S\$0.3.

Net cash used in financing activities in FY2021 amounted to S\$39.9 million, which was mainly due to the net effect of net repayment of trust receipts of S\$8.0 million, repayment of lease liabilities of S\$18.2 million, interest payment of S\$2.3 million and a net repayment of bank loans of S\$13.8 million partially offset by the proceed of S\$2.4 million from issuance 25.0 million of new ordinary shares during the financial year.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

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.

The Group has resumed all construction activities but manpower shortage remains a challenging issue for the construction industry in Singapore in the near term.

The Government announced further easing of border restrictions. In the mid-to-longer term, Singapore's high vaccination rates and steady public sector construction developments are expected to pave the way towards the recovery of the construction sector and the overall economy. In view of the challenging conditions, the Group will remain operationally and financially prudent to conserve resources and prepare for post pandemic recovery. Further to the project at Agri Food Innovation Park in Kranji, the investigations is still ongoing, the Group shall update accordingly when more information is available.

Over the next few years, Singapore is expected to focus on major infrastructure projects such as the Cross Island Line, developments at Jurong Lake District and construction of Changi Airport Terminal 5, which will continue to support the construction activity in Singapore. Amidst the uncertain economic outlook exacerbated by the COVID-19 outbreak in Singapore and regionally, the Group will monitor the macro-economic environment closely and selectively bid for targeted contracts. Our Group has commenced the commercial operation of the 10,400 pax dormitory at Changi, which is currently 55% occupied. With more and more workers coming into Singapore, we would expect the occupancy rate to increase. The Group will continue to actively explore business opportunities in Singapore

Currently the Group's order book for ongoing project is approximately \$415 million which is expected to be completed in the next 5 years.

11. If a decision regarding dividend has been made: -
(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared or recommended for FY2021.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

No dividend has been declared or recommended for FY2020.

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

Not applicable as no dividend has been declared or recommended for FY2021.

(d) The date the dividend is payable.

Not applicable as no dividend has been declared or recommended for FY2021.

(e) Book closure date

Not applicable as no dividend has been declared or recommended for FY2021.

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

No dividend has been declared or recommended for FY2021. Given the current uncertain economic climate, the board of Directors deems it appropriate to conserve adequate resources for the Group's business activities.

13. If the group has obtained a general mandate from shareholders for interested person transactions (“IPT”), 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.

No changes to IPTs as disclosed in page 45 of the Company’s annual report for the financial year ended 31 December 2020. The Group does not have a general mandate from shareholders for recurrent interested person transactions.

Other than the IPTs disclosed in paragraph (c)(i) of page 156 of the offer document dated 1 December 2014, the update announcement in relation to the IPTs released on 8 November 2019 and IPTs as set out in the below table, there were no additional IPTs of S\$100,000 and above during the financial year under review.

Name of Interested Person (“IP”)	Nature of relationship	Aggregate value of all interested person transactions during the financial year 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 during the financial year under review under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
NHL Holding Pte Ltd (“NHL”) <ul style="list-style-type: none"> – Lease of construction equipment and vehicles from NHL 	#	S\$000 1,830	S\$000 Not applicable
NB Auto Pte Ltd (“NB Auto”) <ul style="list-style-type: none"> – Lease of commercial vehicles from NB Auto 	#	108	Not applicable

These IPs are regarded as associates of the Company’s controlling shareholder under Chapter 9 of the Catalist Rules on interested person transactions.

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

- 14. 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.**

Please refer to Note 3 under Segmentation information on Page 8 - 10.

- 15. 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 above for details.

- 16. Breakdown of Group's revenue and profit/ (loss) after tax for first half year and second half year**

	FY2021 (Unaudited)	FY2020 Audited	Increase/ (Decrease)
	\$'000	\$'000	%
(a) Sales reported for first half year	93,214	24,063	287.4
(b) Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	1,071	(18,043)	nm
(c) Sales reported for second half year	77,227	91,895	(16.0)
(d) Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	4,115	10,645	(61.3)

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

Not applicable as no dividend has been declared or recommended for FY2021.

- 18. 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)**

Name	Age	Family relationship with any director, CEO 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
Ng Kian Haw Douglas	31	Son of Mr Ng Hai Liong	Business Manager/ 2019	No Change
Ng Swee Seng	50	Nephew of Mr Ng Hai Liong	Site Manager/ 2017	No Change
Ng Say Beng Charlie	55	Nephew of Mr Ng Hai Liong	Site Manager/ 2011	No Change

19. Use of Placement proceeds

The Company refers to the net proceeds amounting to S\$2.4 million raised from the Placement of 25.0 million of ordinary shares on the Catalist Board of the SGX-ST during the financial year. As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:

Use of Proceeds	Amount Allocated (S\$'000)	Amount Utilised (S\$'000)	Amount Unutilised (S\$'000)
To explore opportunities in mergers and acquisitions, joint ventures and strategic alliances	1,000	(1,000)	-
General working capital purposes	1,280	(1,000)	280
Total	2,280	(2,000)	280

Note:-

During the financial year, the Company has utilised \$1.0 million on the allocated general working capital for the repayment of amounts owing to external parties. The above utilisations are in accordance with the intended use of the Placement net proceeds and percentage allocated, as stated in the Placement Exercise document dated 2 November 2021.

20. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A of the Catalist Rules

During FY2021, the Company did not acquire any shares resulting in any company becoming a subsidiary or associated company or increasing its shareholding percentage in any subsidiary. Additionally, the Company did not dispose any shares resulting in a company ceasing to be a subsidiary or associated company or decreasing its shareholding percentage in any subsidiary.

21. Confirmation that the issuer has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Rules.

BY ORDER OF THE BOARD

Ng Kian Ann Patrick
Executive Director and CEO
1 March 2022

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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.

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