

CSC Holdings Limited and its subsidiaries
Registration Number: 199707845E

Condensed Consolidated Interim Financial Information
Six months ended 30 September 2023



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Independent auditors' report on review of condensed consolidated interim financial information

The Board of Directors
CSC Holdings Limited

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of CSC Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 September 2023 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes (the "Condensed Consolidated Interim Financial Information"). Management is responsible for the preparation and presentation of this Condensed Consolidated Interim Financial Information in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Condensed Consolidated Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of the Condensed Consolidated Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Information is not prepared, in all material respects, in accordance with SFRS(I) 1-34 *Interim Financial Reporting*.



Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Consolidated Interim Financial Information for the purpose of assisting the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Company's announcement of its Condensed Consolidated Interim Financial Information for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

KPMG LLP

KPMG LLP
*Public Accountants and
Chartered Accountants*

Singapore
9 November 2023

Condensed consolidated statement of financial position
As at 30 September 2023

	Note	30 September 2023 \$'000	31 March 2023 \$'000
Non-current assets			
Property, plant and equipment	3	120,692	124,723
Right-of-use assets		39,488	41,227
Goodwill		552	552
Investment property		242	115
Investment in associates		8,303	8,175
Contract assets		1,417	618
Trade and other receivables		8,542	12,619
Deferred tax assets		37	37
		<u>179,273</u>	<u>188,066</u>
Current assets			
Inventories		28,853	24,519
Contract assets		63,515	66,721
Trade and other receivables		89,992	79,339
Tax recoverable		413	416
Cash and cash equivalents		14,767	22,804
		<u>197,540</u>	<u>193,799</u>
Assets held for sale		599	755
		<u>198,139</u>	<u>194,554</u>
Total assets		<u>377,412</u>	<u>382,620</u>
Equity attributable to owners of the Company			
Share capital	4	94,089	94,089
Reserves		2,211	4,963
		<u>96,300</u>	<u>99,052</u>
Non-controlling interests		<u>24,514</u>	<u>25,303</u>
Total equity		<u>120,814</u>	<u>124,355</u>
Non-current liabilities			
Loans and borrowings	5	56,765	59,563
Trade and other payables		5,734	10,875
Provisions		60	60
Deferred tax liabilities		1,095	1,729
		<u>63,654</u>	<u>72,227</u>
Current liabilities			
Loans and borrowings	5	79,428	77,130
Contract liabilities		683	480
Trade and other payables		108,817	103,724
Provisions		3,715	4,360
Current tax payable		301	344
		<u>192,944</u>	<u>186,038</u>
Total liabilities		<u>256,598</u>	<u>258,265</u>
Total equity and liabilities		<u>377,412</u>	<u>382,620</u>

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

Condensed consolidated statement of profit or loss
For the six months ended 30 September 2023

	Note	Six months ended 30 September	
		2023 \$'000	2022 \$'000
Revenue	6	146,426	118,013
Cost of sales		(133,467)	(118,536)
Gross profit/(loss)		<u>12,959</u>	<u>(523)</u>
Other income		675	1,047
Distribution expenses		(323)	(609)
Administrative expenses		(14,135)	(14,744)
Other operating expenses		(172)	(94)
Impairment loss reversed on trade and other receivables and contract assets		41	109
Results from operating activities		<u>(955)</u>	<u>(14,814)</u>
Finance income		370	475
Finance expenses		(3,501)	(2,573)
Net finance expenses		<u>(3,131)</u>	<u>(2,098)</u>
Share of profit of associates (net of tax)		134	158
Loss before tax		(3,952)	(16,754)
Tax credit/(expense)		212	(109)
Loss for the period	7	<u>(3,740)</u>	<u>(16,863)</u>
Attributable to:			
Owners of the Company		(2,963)	(16,721)
Non-controlling interests		(777)	(142)
Loss for the period		<u>(3,740)</u>	<u>(16,863)</u>
Loss per share			
Basic loss per share (cents)	8	<u>(0.08)</u>	<u>(0.48)</u>
Diluted loss per share (cents)	8	<u>(0.08)</u>	<u>(0.48)</u>

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

Condensed consolidated statement of comprehensive income
For the six months ended 30 September 2023

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Loss for the period	(3,740)	(16,863)
Other comprehensive income/(expense)		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences		
- foreign operations	208	(84)
Other comprehensive income/(expense) for the period, net of tax	<u>208</u>	<u>(84)</u>
Total comprehensive expense for the period	<u>(3,532)</u>	<u>(16,947)</u>
Total comprehensive expense attributable to:		
Owners of the Company	(2,743)	(16,705)
Non-controlling interests	(789)	(242)
Total comprehensive expense for the period	<u>(3,532)</u>	<u>(16,947)</u>

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

Condensed consolidated statement of changes in equity
For the six months ended 30 September 2023

Group	Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000	Reserve on consolidation \$'000	Other reserve \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 April 2022	94,089	17,798	(2,921)	116	(2,334)	(6,713)	2,249	22,771	125,055	25,703	150,758
Total comprehensive income/(expense) for the period											
Loss for the period	-	-	-	-	-	-	-	(16,721)	(16,721)	(142)	(16,863)
Other comprehensive income/(expense)											
Foreign currency translation differences	-	-	-	-	-	10	6	-	16	(100)	(84)
Transfer of revaluation surplus of property, plant and equipment	-	-	-	-	-	-	(89)	89	-	-	-
Total other comprehensive income/(expense)	-	-	-	-	-	10	(83)	89	16	(100)	(84)
Total comprehensive income/(expense) for the period	-	-	-	-	-	10	(83)	(16,632)	(16,705)	(242)	(16,947)
Transactions with owners of the Company, recorded directly in equity											
Purchase of treasury shares	-	-	(97)	-	-	-	-	-	(97)	-	(97)
Total transactions with owners	-	-	(97)	-	-	-	-	-	(97)	-	(97)
At 30 September 2022	94,089	17,798	(3,018)	116	(2,334)	(6,703)	2,166	6,139	108,253	25,461	133,714

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

Condensed consolidated statement of changes in equity (continued)
For the six months ended 30 September 2023

Group	Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000	Reserve on consolidation \$'000	Other reserve \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Accumulated losses \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 April 2023	94,089	17,798	(3,049)	116	(2,334)	(6,511)	2,675	(3,732)	99,052	25,303	124,355
Total comprehensive income/(expense) for the period	-	-	-	-	-	-	-	(2,963)	(2,963)	(777)	(3,740)
Other comprehensive income/(expense)	-	-	-	-	-	215	5	-	220	(12)	208
Foreign currency translation differences											
Transfer of revaluation surplus of property, plant and equipment							(171)	171			
Total other comprehensive income/(expense)						215	(166)	171	220	(12)	208
Total comprehensive income/(expense) for the period	-	-	-	-	-	215	(166)	(2,792)	(2,743)	(789)	(3,532)
Transactions with owners of the Company, recorded directly in equity	-	-	(9)	-	-	-	-	-	(9)	-	(9)
Purchase of treasury shares											
Total transactions with owners	-	-	(9)	-	-	-	-	-	(9)	-	(9)
At 30 September 2023	94,089	17,798	(3,058)	116	(2,334)	(6,296)	2,509	(6,524)	96,300	24,514	120,814

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

Condensed consolidated statement of cash flows
For the six months ended 30 September 2023

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Cash flows from operating activities		
Loss for the period	(3,740)	(16,863)
Adjustments for:		
Bad debts written back	(63)	(3)
Depreciation of:		
- property, plant and equipment	8,880	10,557
- right-of-use assets	2,453	2,768
Gain on disposal of:		
- property, plant and equipment	(395)	(536)
- assets held for sale	(77)	–
Impairment losses recognised/(reversed) on:		
- property, plant and equipment	60	(40)
- trade and other receivables and contract assets	(41)	(109)
Inventories written down	84	77
Loss/(Gain) on termination of lease liabilities	3	(14)
Net finance expenses	3,131	2,098
Provision (reversed)/made for:		
- onerous contracts	(22)	–
- rectification costs	414	642
Share of profit of associates (net of tax)	(134)	(158)
Tax (credit)/expense	(212)	109
	10,341	(1,472)
Changes in:		
- Inventories	(4,592)	(2,492)
- Contract assets	2,040	14,414
- Trade and other receivables	(5,955)	(1,054)
- Contract liabilities	203	91
- Trade and other payables	6,114	(5,615)
- Provision utilised for onerous contracts	(141)	(620)
- Provision utilised for rectification costs	(890)	(717)
Cash generated from operations	7,120	2,535
Taxes paid	(479)	(228)
Interest received	105	61
Net cash generated from operating activities	6,746	2,368
Cash flows from investing activities		
Acquisition of:		
- property, plant and equipment	(5,238)	(6,958)
- investment property	(132)	–
Proceeds from disposal of property, plant and equipment	496	2,761
Loans to associates	(785)	–
Net cash used in investing activities	(5,659)	(4,197)

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

Condensed consolidated statement of cash flows (cont'd)
For the six months ended 30 September 2023

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Cash flows from financing activities		
Interest paid	(3,362)	(2,483)
Proceeds from:		
- bank loans	4,818	4,675
- refinancing of lease liabilities	4,380	—
- bills payable	97,229	72,150
Purchase of treasury shares	(9)	(97)
Repayment of:		
- bank loans	(11,701)	(9,311)
- bills payable	(87,809)	(69,401)
- lease liabilities	(8,786)	(8,351)
Changes in fixed deposits pledged	1,332	—
Net cash used in financing activities	<u>(3,908)</u>	<u>(12,818)</u>
Net decrease in cash and cash equivalents	(2,821)	(14,647)
Cash and cash equivalents at 1 April	16,753	31,366
Effect of exchange rate fluctuations on cash held	47	(440)
Cash and cash equivalents at 30 September	<u>13,979</u>	<u>16,279</u>
Comprising:		
Cash and cash equivalents	14,767	19,938
Bank overdrafts	(638)	(3,059)
Fixed deposits pledged	(150)	(600)
Cash and cash equivalents in the condensed consolidated statement of cash flows	<u>13,979</u>	<u>16,279</u>

During the financial period, the Group acquired property, plant and equipment with an aggregate cost of \$5,421,000 (30 September 2022: \$9,169,000) of which \$2,683,000 (30 September 2022: \$Nil) were acquired by means of hire purchase arrangements. Cash payments of \$5,238,000 (30 September 2022: \$6,958,000) were made to purchase property, plant and equipment, out of which \$3,347,000 (30 September 2022: \$1,739,000) was for the unpaid liabilities for prior period's acquisition of property, plant and equipment. At the reporting date, the unpaid liabilities from the purchase of property, plant and equipment amounted to \$847,000 (30 September 2022: \$3,950,000).

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

Notes to the condensed consolidated interim financial information

These notes form an integral part of the condensed consolidated interim financial information.

The condensed consolidated interim financial information was authorised for issue by the Board of Directors on 9 November 2023.

1 Domicile and activities

CSC Holdings Limited (“the Company”) is a company domiciled in the Republic of Singapore. The condensed consolidated interim financial information as at and for the six months ended 30 September 2023, comprise the Company and its subsidiaries (together referred to as the “Group”). The Group is primarily involved in piling works, civil engineering works, trading and leasing of heavy foundation equipment, soil investigation and surveying works.

1.1 Basis of preparation

The condensed consolidated interim financial information of the Group has been prepared on a condensed basis in accordance with the Singapore Financial Reporting Standard (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting*. They 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 financial performance since the last annual consolidated financial statements as at and for the year ended 31 March 2023.

The condensed consolidated interim financial information, which do not include the full disclosures of the type normally included in full annual financial statements prepared in accordance with the SFRS(I)s, are to be read in conjunction with the last audited consolidated financial statements for the year ended 31 March 2023.

Accounting policies and methods of computation used in the condensed consolidated interim financial information are consistent with those applied in the financial statements for the year ended 31 March 2023, which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in note 1.3.

The condensed consolidated interim financial information is presented in Singapore dollars which is the Company’s functional currency.

1.2 Use of judgements and estimates

In preparing the condensed consolidated interim financial information, 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.

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.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023 (see note 13).

1.3 Change in accounting policy

New and amended standards adopted by the Group

The Group adopted various new/revised SFRS(I)s, SFRS(I) interpretations and amendments to SFRS(I)s applicable for the financial year beginning on 1 April 2023. The application of these standards and interpretations did not have a material effect on the condensed interim financial information.

2 Seasonal operations

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

The Group expects the geopolitical uncertainties, elevated raw material and energy prices, as well as the high interest rate environment, will continue to put pressure on the Group's financial and liquidity positions. The Group continues to focus on capital and cashflow management, which includes implementing cost-control measures and actively pursuing opportunities to enhance their financing facilities. These are expected to equip the Group with sufficient cash flows and financial resources to meet its obligations as and when they fall due.

3 Property, plant and equipment

During the six months ended 30 September 2023, the Group acquired assets amounting to \$5,421,000 (six months ended 30 September 2022: \$9,169,000) and disposed of assets amounting to \$300,000 (six months ended 30 September 2022: \$2,147,000).

4 Share capital

	30 September 2023		31 March 2023	
	No. of shares	\$'000	No. of shares	\$'000
Issued and fully-paid ordinary shares with no par value:				
At 1 April and 30 September/31 March	3,588,348,176	94,089	3,588,348,176	94,089

During the six months ended 30 September 2023, the Company completed the buy-back of 1,000,000 (31 March 2023: 10,162,000) ordinary shares, representing 0.03% (31 March 2023: 0.29%) of the issued share capital on that date, under the terms of the Share Buyback Mandate dated 12 July 2023, approved by shareholders on 27 July 2023. The shares were bought back at an average market price, including incidental costs, of \$0.009 (31 March 2023: \$0.013) per share, for a consideration of \$9,000 (31 March 2023: \$128,000). This amount is classified as reduction in equity under 'reserve for own shares'. As at 30 September 2023, the Company held 72,082,000 (31 March 2023: 71,082,000) of its own uncanceled shares.

As at 30 September 2023, there were no outstanding shares options or warrants (31 March 2023: Nil) for conversion into ordinary shares.

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares (excluding treasury shares) rank equally with regard to the Company's residual assets.

The loan facilities of certain subsidiaries are subject to externally imposed capital requirements where these subsidiaries are required to maintain net assets (total assets less total liabilities) or net tangible assets (total tangible assets less total tangible liabilities) in excess of specific financial thresholds. The subsidiaries have complied with the covenants at the reporting date.

5 Loans and borrowings

	30 September 2023 \$'000	31 March 2023 \$'000
Bank overdrafts	638	4,547
Bills payable	37,798	28,498
Secured bank loans	5,861	7,409
Unsecured bank loans	25,669	31,120
Lease liabilities	66,227	65,119
	<u>136,193</u>	<u>136,693</u>
Amount repayable:		
- in one year or less, or on demand	79,428	77,130
- after one year	56,765	59,563
	<u>136,193</u>	<u>136,693</u>

The loans and borrowings are guaranteed by the Company, out of which \$7,959,000 (31 March 2023: \$9,079,000) are also guaranteed by a related corporation.

The secured bank loans and lease liabilities are secured by:

- (a) a charge over the Group's leasehold land and properties with a carrying amount of \$11,683,000 (31 March 2023: \$15,550,000);
- (b) the Group's plant and equipment acquired under hire purchase arrangements with a carrying amount of \$42,465,000 (31 March 2023: \$35,836,000);

- (c) the Group's inventories acquired under hire purchase arrangements with a carrying amount of \$3,597,000 (31 March 2023: \$2,552,000); and
- (d) a charge over the Group's fixed deposits amounting to \$150,000 (31 March 2023: \$1,504,000).

6 Revenue

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Revenue from contracts with customers	141,142	111,512
Rental income	5,284	6,501
	<u>146,426</u>	<u>118,013</u>

The Group's operations and main revenue streams are those described in the last annual financial statements.

Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by geographical regions and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see note 9).

	Foundation and geotechnical engineering		Sales of equipment and spare parts		Total reportable segments	
	Six months ended		Six months ended		Six months ended	
	30 September		30 September		30 September	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Geographical regions						
Singapore	107,836	70,035	3,707	8,661	111,543	78,696
Malaysia	23,792	20,435	119	93	23,911	20,528
India	–	–	4,580	11,222	4,580	11,222
Thailand	–	–	243	292	243	292
Philippines	–	–	298	426	298	426
Hong Kong	–	–	63	176	63	176
China	–	–	41	154	41	154
Other regions	–	–	463	18	463	18
	<u>131,628</u>	<u>90,470</u>	<u>9,514</u>	<u>21,042</u>	<u>141,142</u>	<u>111,512</u>
Major revenue streams						
Construction contracts	131,521	90,286	–	–	131,521	90,286
Trading of building products and plant and equipment	107	184	9,514	21,042	9,621	21,226
	<u>131,628</u>	<u>90,470</u>	<u>9,514</u>	<u>21,042</u>	<u>141,142</u>	<u>111,512</u>

	Foundation and geotechnical engineering		Sales of equipment and spare parts		Total reportable segments	
	Six months ended		Six months ended		Six months ended	
	30 September		30 September		30 September	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Timing of revenue recognition						
Products transferred at a point in time	107	184	9,324	20,904	9,431	21,088
Products and services transferred over time	131,521	90,286	190	138	131,711	90,424
	<u>131,628</u>	<u>90,470</u>	<u>9,514</u>	<u>21,042</u>	<u>141,142</u>	<u>111,512</u>

7 Loss for the period

The following items have been included in arriving at the loss for the period:

	Six months ended	
	2023	2022
	\$'000	\$'000
Bad debts written back	(63)	(3)
Depreciation of:		
- property, plant and equipment	8,880	10,557
- right-of-use assets	2,453	2,768
Expenses relating to short-term leases	10,613	8,271
Foreign exchange loss	800	1,236
Gain on disposal of:		
- property, plant and equipment	(395)	(536)
- assets held for sale	(77)	—
Government grants deducted from:		
- cost of sales	(45)	(506)
- administrative expenses	(28)	(70)
Impairment losses recognised/(reversed) on:		
- property, plant and equipment	60	(40)
- trade and other receivables and contract assets	(41)	(109)
Interest on lease liabilities	1,283	1,223
Inventories written down	84	77
Loss/(Gain) on termination of lease liabilities	3	(14)
Provision (reversed)/made on:		
- onerous contracts	(22)	—
- rectification costs	414	642

8 Loss per share

(a) Basic loss per share

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Basic loss per share is based on:		
Net loss attributable to ordinary shareholders	(2,963)	(16,721)

	Six months ended	
	30 September	
	2023	2022
	No. of shares	No. of shares
	'000	'000
Weighted average number of shares	3,516,897	3,521,696

(b) Diluted loss per share

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Diluted loss per share is based on:		
Net loss attributable to ordinary shareholders	(2,963)	(16,721)

For the purpose of calculating the diluted loss per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive potential ordinary shares weighted for the period outstanding.

The weighted average number of ordinary shares in issue is as follows:

	Six months ended	
	30 September	
	2023	2022
	No. of shares	No. of shares
	'000	'000
Weighted average number of shares	3,516,897	3,521,696

9 Segmental information

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the strategic business units, the Group's Board of Directors reviews the internal management reports on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Foundation and geotechnical engineering: Includes civil engineering, piling, foundation and geotechnical engineering, soil investigation, land surveying and other related services.

Sale and lease of equipment: Sales and rental of foundation engineering equipment, machinery and spare parts.

Other operations include the sale and sublet of land, property development and fabrication, repair and maintenance services for heavy machinery. None of these segments meet any of the quantitative thresholds for determining reportable segments in both financial periods.

The bases of measurement of the reportable segments are in accordance with the Group's accounting policies.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Information about reportable segments

	Foundation and geotechnical engineering		Sales and lease of equipment		Total reportable segments	
	Six months ended 30 September		Six months ended 30 September		Six months ended 30 September	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	131,645	90,470	14,781	27,543	146,426	118,013
Inter-segment revenue	12,817	6,368	2,660	2,410	15,477	8,778
Reportable segment loss before tax	(1,937)	(14,581)	(2,344)	(1,272)	(4,281)	(15,853)
	30	31	30	31	30	31
	September	March	September	March	September	March
	2023	2023	2023	2023	2023	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reportable segment assets	193,970	192,841	119,887	125,362	313,857	318,203
Reportable segment liabilities	136,222	132,385	73,461	77,423	209,683	209,808

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Revenue		
Total revenue for reportable segments	161,903	126,791
Elimination of inter-segment revenue	(15,477)	(8,778)
Consolidated revenue	146,426	118,013
Loss before tax		
Total loss before tax for reportable segments	(4,281)	(15,853)
Loss before tax for other segments	(41)	(336)
	(4,322)	(16,189)
Elimination of inter-segment transactions	5,168	4,071
Unallocated amounts:		
- other corporate expenses	(4,932)	(4,794)
Share of profit of associates	134	158
Consolidated loss before tax	(3,952)	(16,754)
Assets		
Total assets for reportable segments	313,857	318,203
Assets for other segments	18,167	17,736
	332,024	335,939
Investment in associates	8,303	8,175
Deferred tax assets	37	37
Tax recoverable	413	416
Other unallocated amounts	36,635	38,053
Consolidated total assets	377,412	382,620
Liabilities		
Total liabilities for reportable segments	209,683	209,808
Liabilities for other segments	3,704	3,872
	213,387	213,680
Deferred tax liabilities	1,095	1,729
Current tax payable	301	344
Other unallocated amounts	41,815	42,512
Consolidated total liabilities	256,598	258,265

10 Dividends

No interim dividends were paid by the Company in respect of the six months ended 30 September 2023 and 2022.

11 Commitment

Commitment not reflected in the condensed consolidated interim financial information at the reporting date is as follows:

Capital commitments

As at reporting date, capital expenditure contracted for but not recognised in the condensed consolidated interim financial information is as follows:

	30 September 2023 \$'000	31 March 2023 \$'000
Capital commitment in respect of:		
- acquisition of property, plant and equipment	138	255

12 Related parties

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The directors and senior management are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Six months ended 30 September	
	2023 \$'000	2022 \$'000
Short-term employee benefits	2,885	2,820
Post-employment benefits (including contributions to defined contribution plans)	125	108
	<u>3,010</u>	<u>2,928</u>

The aggregate value of transactions related to key management personnel over which they have control or significant influence are as follows:

	Six months ended 30 September	
	2023 \$'000	2022 \$'000
Professional fees	11	15

Other related party transactions

Other than disclosed elsewhere in the condensed consolidated interim financial information, the transactions with related parties are as follows:

	Six months ended	
	30 September	
	2023	2022
	\$'000	\$'000
Companies in which a director and a substantial shareholder of the Group have substantial financial interests		
Revenue from foundation engineering works	–	7
Revenue from rental and service income	138	87
Expenses relating to short-term leases	(234)	(299)
Expenses relating to transport, handling and service charges	(68)	–
Purchase of plant and equipment	–	(190)
Upkeep of machinery and equipment expenses	(13)	(27)
	–	(227)

13 Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The selection of critical accounting policies, the judgements and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in condition and assumptions are factors to be considered when reviewing the condensed consolidated interim financial information. The Group believes the critical accounting policies involving the most significant judgements and estimates used in the preparation of the condensed consolidated interim financial information are consistent with those found in the last audited financial statements for the year ended 31 March 2023.

Fair value hierarchy

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

14 Fair value of financial instruments

Fair values versus carrying amounts

The carrying amounts and fair values of the financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount		Fair value				
	Amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 September 2023							
Financial assets not measured at fair value							
Trade and other receivables*	97,376	–	97,376	–	97,376	–	97,376
Cash and cash equivalents	14,767	–	14,767	–	–	–	–
	112,143	–	112,143	–	–	–	–
Financial liabilities not measured at fair value							
Bank overdrafts	–	(638)	(638)	–	–	–	(5,894)
Bills payable	–	(37,798)	(37,798)	–	–	–	(25,896)
Secured bank loans	–	(5,861)	(5,861)	–	(5,894)	–	(112,343)
Unsecured bank loans	–	(25,669)	(25,669)	–	(25,896)	–	(182,309)
Trade and other payables**	–	(112,343)	(112,343)	–	–	–	–
	–	(182,309)	(182,309)	–	–	–	–

* Excludes prepayments

** Excludes deposits received

	Carrying amount		Fair value				
	Amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 March 2023							
Financial assets not measured at fair value							
Trade and other receivables*	91,282	–	91,282	–	91,282	–	91,282
Cash and cash equivalents	22,804	–	22,804	–	–	–	–
	114,086	–	114,086	–	–	–	–
Financial liabilities not measured at fair value							
Bank overdrafts	–	(4,547)	(4,547)	–	–	–	(7,437)
Bills payable	–	(28,498)	(28,498)	–	(7,437)	–	(31,181)
Secured bank loans	–	(7,409)	(7,409)	–	(31,181)	–	(113,633)
Unsecured bank loans	–	(31,120)	(31,120)	–	–	–	–
Trade and other payables**	–	(113,633)	(113,633)	–	–	–	–
	–	(185,207)	(185,207)	–	–	–	–

* Excludes prepayments

** Excludes deposits received

Measurement of fair values

The following methods and assumptions are used to estimate fair values of the following significant classes of financial instruments:

Non-current trade and other receivables and trade and other payables and fixed interest rate bank loans

The fair values have been determined by discounting the expected payments with current interest rates for similar instruments at the reporting date.

Floating interest rate bank loans

The carrying amounts of floating interest bearing loans, which are repriced within 1 to 6 months from the reporting date, reflect the corresponding fair values.

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year (including current trade and other receivables, cash and cash equivalents, current trade and other payables and short-term borrowings) are assumed to approximate their fair values because of the short period to maturity.

Interest rates used in determining fair values

The interest rates used to discount estimated cash flows, where applicable, are based on the government yield curve at reporting date plus an adequate credit spread, and are as follows:

	30 September 2023	31 March 2023
	%	%
Non-current trade and other receivables and non-current contract assets	5.37 – 5.39	3.00
Non-current trade and other payables	1.84 – 2.50	1.84 – 2.50

Transfers between Levels 1, 2 and 3

There were no transfers of financial instruments between Levels 1, 2 and 3.

