

Hiap Tong Corporation Ltd. and its subsidiaries
Registration Number: 200800657N

Announcement of Unaudited Condensed Interim Financial Statements
For the Six Months Ended 30 September 2024

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

		Group		
	Note	6 months ended 30 September		
		2024	2023	Change
		\$'000	\$'000	%
Revenue	4	44,321	43,164	2.7
Cost of sales		(36,378)	(34,949)	4.1
Gross profit		<u>7,943</u>	<u>8,215</u>	(3.3)
Other income		1,457	2,659	(45.2)
Distribution expenses		(240)	(438)	(45.2)
Administrative expenses		(6,891)	(6,410)	7.5
Other losses		(142)	(257)	(44.7)
Results from operating activities		<u>2,127</u>	<u>3,769</u>	(43.6)
Finance income		888	–*	100.0
Finance costs		(1,267)	(1,367)	(7.3)
Net finance costs		<u>(379)</u>	<u>(1,367)</u>	(72.3)
Profit before taxation	5	1,748	2,402	(27.2)
Tax expense	7	(364)	(575)	(36.7)
Profit for the financial period		<u>1,384</u>	<u>1,827</u>	(24.2)
Other comprehensive income				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation differences relating to foreign operations		(540)	184	NM
Other comprehensive income, net of tax**		<u>(540)</u>	<u>184</u>	NM
Total comprehensive income for the period		<u>844</u>	<u>2,011</u>	(58.0)
Earnings per share				
Basic and diluted earnings (cents)		<u>0.44</u>	<u>0.59</u>	

* Amount less than \$1,000

** There was no tax effect on the components included in other comprehensive income

NM: not meaningful

Condensed Interim Consolidated Statement of Financial Position

	Note	Group		Company	
		30 September 2024 (Unaudited) \$'000	31 March 2024 (Audited) \$'000	30 September 2024 (Unaudited) \$'000	31 March 2024 (Audited) \$'000
Non-current assets					
Property, plant and equipment	9	141,885	147,744	8,841	9,889
Investment property	10	750	750	–	–
Investment in subsidiaries		–	–	3,600	3,600
Other financial assets		–	–	–	–
		<u>142,635</u>	<u>148,494</u>	<u>12,441</u>	<u>13,489</u>
Current assets					
Asset held for sale	11	14,446	14,446	14,446	14,446
Other non-financial assets		1,597	949	48	26
Financial assets – derivatives		–	12	–	–
Trade and other receivables		30,302	29,247	12,535	12,271
Cash and cash equivalents		8,427	10,523	307	488
		<u>54,772</u>	<u>55,177</u>	<u>27,336</u>	<u>27,231</u>
Total assets		<u>197,407</u>	<u>203,671</u>	<u>39,777</u>	<u>40,720</u>
Equity attributable to owners of the Company					
Share capital	15	25,566	25,566	25,566	25,566
Retained earnings		74,144	73,077	871	1,481
Other reserves		(1,684)	(1,144)	–	–
Total equity		<u>98,026</u>	<u>97,499</u>	<u>26,437</u>	<u>27,047</u>
Non-current liabilities					
Deferred tax liabilities		10,796	10,796	–	–
Loans and borrowings, non-current	12	301	1,230	–	–
Lease liabilities, non-current	13	28,172	32,722	1,806	2,075
		<u>39,269</u>	<u>44,748</u>	<u>1,806</u>	<u>2,075</u>
Current liabilities					
Liabilities held for sale	11	10,000	10,000	10,000	10,000
Income tax payable		411	286	–	95
Financial liabilities - derivatives		19	–	–	–
Loans and borrowings, current	12	11,063	8,752	–	–
Lease liabilities, current	13	23,804	22,629	534	525
Trade and other payables		14,815	19,757	1,000	978
		<u>60,112</u>	<u>61,424</u>	<u>11,534</u>	<u>11,598</u>
Total liabilities		<u>99,381</u>	<u>106,172</u>	<u>13,340</u>	<u>13,673</u>
Total equity and liabilities		<u>197,407</u>	<u>203,671</u>	<u>39,777</u>	<u>40,720</u>

Condensed Interim Statements of Changes in Equity

	Note	Attributable to owners of the Company					Total equity \$'000
		Share capital \$'000	Merger reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	
The Group							
At 1 April 2024		25,566	(1,670)	(200)	726	73,077	97,499
Total comprehensive income for the period							
Profit for the period		–	–	–	–	1,384	1,384
Foreign currency translation differences relating to foreign subsidiaries		–	–	–	(540)	–	(540)
Total other comprehensive income		–	–	–	(540)	–	(540)
Total comprehensive income for the period		–	–	–	(540)	1,384	844
Transactions with owners, recognised directly in equity							
Distribution to owners							
Dividends paid		–	–	–	–	(317)	(317)
<i>Total distribution to owners</i>		–	–	–	–	(317)	(317)
At 30 September 2024		25,566	(1,670)	(200)	186	74,144	98,026

Condensed Interim Statements of Changes in Equity

	Note	Attributable to owners of the Company					Total equity \$'000
		Share capital \$'000	Merger reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	
The Group							
At 1 April 2023		24,450	(1,670)	(88)	423	70,490	93,605
Total comprehensive income for the period							
Profit for the period		–	–	–	–	1,827	1,827
Foreign currency translation differences relating to foreign subsidiaries		–	–	–	184	–	184
Total other comprehensive income		–	–	–	184	–	184
Total comprehensive income for the period		–	–	–	184	1,827	2,011
Transactions with owners, recognised directly in equity							
Distribution to owners							
Issue of shares pursuant to scrip dividend scheme		1,116	–	–	–	(1,116)	–
Dividends paid		–	–	–	–	(424)	(424)
<i>Total distribution to owners</i>		1,116	–	–	–	(1,540)	(424)
At 30 September 2023		25,566	(1,670)	(88)	607	70,777	95,192

Condensed Interim Statements of Changes in Equity (cont'd)

The Company	Attributable to owners of the Company		
	Share capital S\$'000	Accumulated profits S\$'000	Total equity S\$'000
At 1 April 2024	25,566	1,481	27,047
Total comprehensive loss for the period			
Loss for the period	–	(293)	(293)
Total comprehensive loss for the period	–	(293)	(293)
Transactions with owners, recognised directly in equity			
Distribution to owners			
Dividends paid	–	(317)	(317)
<i>Total distribution to owners</i>	–	(317)	(317)
At 30 September 2024	25,566	871	26,437
At 1 April 2023	24,450	4,284	28,734
Total comprehensive loss for the period			
Loss for the period	–	(664)	(664)
Total comprehensive loss for the period	–	(664)	(664)
Transactions with owners, recognised directly in equity			
Distribution to owners			
Issue of shares pursuant to scrip dividend scheme	1,116	(1,116)	–
Dividends paid	–	(424)	(424)
<i>Total distribution to owners</i>	1,116	(1,540)	(424)
At 30 September 2023	25,566	2,080	27,646

Condensed Interim Consolidated Statement of Cash Flows

	Group	
	6 months ended 30 September	
	2024	2023
	\$'000	\$'000
Cash flows from operating activities		
Profit for the period	1,384	1,827
Adjustments for:		
Depreciation	8,343	8,398
(Gain)/loss on disposal of property, plant and equipment	(510)	224
Net change in fair value of financial derivatives	31	(100)
Provision/(reversal) for loss allowances on trade and other receivables	142	(1,087)
Impairment losses on property, plant and equipment	–	33
Interest expense	1,226	1,049
Interest income	–*	–*
Tax expense	364	575
	10,980	10,919
Changes in:		
Trade and other receivables	(1,845)	2,484
Trade and other payables	(566)	516
Income tax paid	(240)	(712)
Net cash from operating activities	8,329	13,207
Cash flows from investing activities		
Acquisition of property, plant and equipment	(381)	(2,970)
Interest received	–*	–*
Proceeds from sale of property, plant and equipment	1,325	535
Net cash from/(used in) investing activities	944	(2,435)
Cash flows from financing activities		
Interest paid	(1,129)	(799)
Payments of lease liabilities	(10,641)	(8,657)
Proceeds from loans and borrowings	9,500	3,500
Repayment of loans and borrowings	(8,119)	(6,092)
Dividends paid	(317)	(424)
Net cash used in financing activities	(10,706)	(12,472)
Net decrease in cash and cash equivalents	(1,433)	(1,700)
Cash and cash equivalents at beginning of the period	10,523	11,205
Effect of exchange rate changes on balances held in foreign currencies	(663)	233
Cash and cash equivalents at end of the period	8,427	9,738

* Amount less than \$1,000

Significant non-cash transactions

During the financial period, the Group acquired property, plant and equipment totalling \$3,586,000 (30 September 2023: \$17,128,000), of which \$1,352,000 (30 September 2023: \$1,350,000) was acquired under new leases and \$1,551,000 (30 September 2023: \$11,098,000) was payable to an external supplier.

Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate information

Hiap Tong Corporation Ltd. (the “Company”) is a company incorporated in the Republic of Singapore. The address of the Company’s registered office is 22 Soon Lee Road, Singapore 628082.

The condensed interim consolidated financial statements of the Group as at and for the six months ended 30 September 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”).

The Group is primarily involved in renting of cranes, prime movers, heavy machinery and equipment, trading of cranes and heavy equipment and supply labour for container lashing/unlashing, prime movers driving services and ancillary works.

The immediate and ultimate holding company is Tembusu Asia Holdings Pte. Ltd., a company incorporated in the Republic of Singapore.

2 Basis of preparation

The condensed interim financial statements for the six months ended 30 September 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standard 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 March 2024.

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

There has been no change in the accounting policies and methods of computation adopted by the Group for the current reporting period compared with the audited financial statements for the year ended 31 March 2024, except for the adoption of new or revised SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for the financial year beginning on or after 1 April 2024. The adoption of these SFRS(I) and INT SFRS(I) did not result in any substantial change to the Group’s accounting policies and has no material impact on the financial statements for the current financial reporting period.

2.2 Use of estimates and judgements

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, liabilities, income and expenses. Actual results may differ from these estimates.

2 Basis of preparation (cont'd)

2.2 Use of estimates and judgements (cont'd)

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 2024.

Estimated 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.

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 has two main operating segments – lifting and haulage services, and manpower services. Revenue and results are presented in accordance with the above-mentioned business segments.

Other operations include trading revenue, rental and management of investment properties, which do not meet any of the quantitative thresholds for determining reportable segments in 2024 and 2023.

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 CEO. 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.

4 Segment and revenue information (cont'd)

4.1 Information about reportable segments

Group	Lifting and haulage services				Lifting and haulage services (Represented)			
	Manpower services	Manpower services	Others	Total	Manpower services	Manpower services	Others	Total
	2024	2024	2024	2024	2023	2023	2023	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External revenue	29,830	14,491	–	44,321	27,933	13,751	1,480	43,164
Interest income	–*	–*	–	–*	–*	–*	–	–*
Interest expense	(1,178)	(48)	–	(1,226)	(987)	(62)	–	(1,049)
Depreciation	(7,674)	(669)	–	(8,343)	(7,700)	(698)	–	(8,398)
Reportable segment profit before tax	713	1,027	8	1,748	1,120	1,079	203	2,402
Other material non-cash items:								
- (Provision)/reversal for loss allowances on trade and other receivables	(142)	–	–	(142)	1,087	–	–	1,087
- Impairment losses on property, plant and equipment and right-of-use assets	–	–	–	–	(33)	–	–	(33)
Reportable segment assets	173,053	9,158	15,196	197,407	185,234	8,943	7,581	201,758
Capital expenditure	3,307	279	–	3,586	15,610	1,518	–	17,128
Reportable segment liabilities	83,481	5,900	10,000	99,381	99,551	7,015	–	106,566

* Amount less than \$1,000

** The prior period comparatives were represented as work train operations was re-allocated from “Others” to “Manpower services” business segment.

4 Segment and revenue information (cont'd)

4.2 Sales by geographical segments

The lifting and haulage services, manpower services and others segments are managed primarily in Singapore and Malaysia.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

		Group							
		Lifting and haulage services		Manpower services		Others		Total	
		6 months ended 30 September							
		2024	2023	2024	2023	2024	2023	2024	2023
		<small>(Represented)</small>		<small>(Represented)</small>		<small>(Represented)</small>			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue									
Singapore		28,879	26,949	14,491	13,751	–	1,480	43,370	42,180
Malaysia		951	984	–	–	–	–	951	984
		<u>29,830</u>	<u>27,933</u>	<u>14,491</u>	<u>13,751</u>	<u>–</u>	<u>1,480</u>	<u>44,321</u>	<u>43,164</u>
Non-current assets									
Singapore		139,697	155,098	1,249	1,998	750	7,579	141,696	164,675
Malaysia		939	1,557	–	–	–	–	939	1,557
		<u>140,636</u>	<u>156,655</u>	<u>1,249</u>	<u>1,998</u>	<u>750</u>	<u>7,579</u>	<u>142,635</u>	<u>166,232</u>

Major customer

Revenue from one customer of the Group's lifting and haulage services and manpower services segments represents \$1,980,000 (30 September 2023: \$4,036,000) and \$10,385,000 (30 September 2023: \$11,124,000) respectively of the Group's total revenue.

5 Profit before taxation

Significant items

The following items have been included in arriving at the profit before taxation for the year:

	6 months ended 30 September	
	2024	2023
	\$'000	\$'000
Depreciation expense	(8,343)	(8,398)
(Provision)/reversal for loss allowances on trade and other receivables	(142)	1,087
Interest income	—*	—*
Interest expense	(1,226)	(1,049)
Net exchange gain/(loss)	888	(405)
Gain/(loss) on disposal of property, plant and equipment	510	(224)
Government grant income	184	431

* Amount less than \$1,000

6 Related party transactions

Key management personnel compensation

Key management personnel compensation, included in staff costs, comprise:

	6 months ended 30 September	
	2024	2023
	\$'000	\$'000
Salaries and other short-term employee benefits	1,438	1,420
Employer's contribution to defined contribution plans, including Central Provident Fund	89	88
	1,527	1,508

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 consolidated statement of profit or loss are:

	Group	
	6 months ended 30 September	
	2024	2023
	\$'000	\$'000
Current tax expense	364	334
Deferred tax expense	—	241
Total income tax expense	364	575

8 Net asset value

	Group		Company	
	30.09.2024 (Unaudited) (cents)	31.03.2024 (Audited) (cents)	30.09.2024 (Unaudited) (cents)	31.03.2024 (Audited) (cents)
Net asset value per ordinary share based on issued share capital at the end of the period/year	30.89	30.72	8.33	8.52

The net assets value per ordinary share of the Group and the Company as at 30 September 2024 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 317,364,199 (31 March 2024: 317,364,199).

9 Property, plant and equipment

During the period ended 30 September 2024, the Group acquired assets amounting to \$3,586,000 (6 months ended 30 September 2023: \$17,128,000) and disposed of assets with net book value amounting to \$815,000 (6 months ended 30 September 2023: \$759,000).

10 Investment properties

Investment properties comprise of one commercial property held by the Group with the intention to hold for long term, capital appreciation or rental.

Changes in fair value are recognised as losses in profit or loss and included in 'net change in fair value of investment properties. All losses are unrealised.

	Group		Company	
	30.09.2024 (Unaudited) \$'000	31.03.2024 (Audited) \$'000	30.09.2024 (Unaudited) \$'000	31.03.2024 (Audited) \$'000
At beginning of financial period	750	7,580	–	6,900
Less: asset held for sale	–	(6,500)	–	(6,500)
Net change in fair value	–	(330)	–	(400)
At end of financial period	750	750	–	–

The Group engages external independent valuers which having the appropriate recognised professional qualification and recent experience in the location and categories of the properties being valued at the end of each financial year. The independent valuers provide the fair values of the Group's investment properties annually. The fair value of the investment properties is dependent on recent market transaction used by the valuers.

The fair value of the Group's investment properties is determined based on observable market sales data and categorised under Level 2 of the fair value measurement hierarchy whereby inputs other than quoted prices included in Level 1 that are observable for the asset and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

10 Investment properties (cont'd)

During the year ended 31 March 2024, the conditional option to purchase issued by the Company dated 19 March 2024 to a third-party purchaser in relation to the proposed sale of the property located at 8 Tuas South Street 10, Singapore 636943 for an aggregate sale consideration of \$4.8 million has been accepted on 1 April 2024. This investment property has been reclassified from investment properties under non-current assets to asset held for sale under current assets. The abovementioned proposed sale has since completed on 30 October 2024.

11 Asset and liabilities held for sale

	Group and Company	
	30.09.2024	31.03.2024
	(Unaudited)	(Audited)
	'000	\$'000
Asset held for sale:		
Investment property	6,500	6,500
Right-of-use asset	7,946	7,946
	<hr/>	<hr/>
	14,446	14,446
Liabilities associated with asset classified as held for sale:		
Lease liabilities	(10,000)	(10,000)
Net asset held for sale	<hr/>	<hr/>
	4,446	4,446

12 Loans and borrowings

	Group	
	30.09.2024	31.03.2024
	(Unaudited)	(Audited)
	\$'000	\$'000
Non-current		
Secured bank loans	–	–
Unsecured bank loan	301	1,230
	<hr/>	<hr/>
	301	1,230
Current		
Secured bank loans	–	–
Unsecured bank loan	11,063	8,752
	<hr/>	<hr/>
	11,063	8,752
Total loans and borrowings	<hr/>	<hr/>
	11,364	9,982

13 Lease liabilities

	Group		Company	
	30.09.2024 (Unaudited) \$'000	31.03.2024 (Audited) \$'000	30.09.2024 (Unaudited) \$'000	31.03.2024 (Audited) \$'000
Non-current	28,172	32,722	1,806	2,075
Current	23,804	22,629	534	525
Total lease liabilities	51,976	55,351	2,340	2,600

The Group's finance lease liabilities of \$47,302,000 (31 March 2024: \$50,730,000) are secured by certain plant and equipment of the Group with carrying value of \$83,740,000 (31 March 2024: \$79,526,000).

14 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 September 2024 and 31 March 2024.

	Group		Company	
	30.09.2024 (Unaudited) \$'000	31.03.2024 (Audited) \$'000	30.09.2024 (Unaudited) \$'000	31.03.2024 (Audited) \$'000
Financial assets				
Trade and other receivables*	30,302	29,247	12,535	12,271
Derivative financial instruments	–	12	–	–
Cash and cash equivalents	8,427	10,523	307	488
	38,729	39,782	12,842	12,759
Financial liabilities				
Trade and other payables	14,815	19,757	1,000	978
Lease liabilities	51,976	55,351	2,340	2,600
Derivative financial instruments	19	–	–	–
Loans and borrowings	11,364	9,982	–	–
	78,174	85,090	3,340	3,578

* Excludes deposits, prepayments and grant receivables

15 Share capital

	Group and Company	
	No. of shares '000	Issued and paid-up share capital \$'000
Ordinary Shares		
As at 30 September 2023, 31 March 2024 and 30 September 2024	317,364	25,566

The Company did not have any convertible securities, treasury shares and subsidiary holdings as at 30 September 2024, 31 March 2024 and 30 September 2023.

Dividends

The following tax exempt (one-tier) first and final dividends were declared and paid by the Group and the Company:

	Group and Company	
	30.09.2024 (Unaudited) \$'000	31.03.2024 (Audited) \$'000
0.1 Singapore cents (31 March 2024: 0.5 Singapore cents) per qualifying ordinary share		
- Cash dividend	317	424
- Scrip dividend	–	1,116
	<u>317</u>	<u>1,540</u>

16 Subsequent events

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

Other Information required by Appendix 7C of the Catalist Rules

1. Review

The condensed interim consolidated statement of financial position of Hiap Tong Corporation Ltd. and its subsidiaries as at 30 September 2024 and the condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2. Review of Group performance

Review of statement of comprehensive income

Revenue

Revenue increased by \$1.1 million or 2.7% from \$43.2 million for the six months ended 30 September 2023 (“HY2024”) to \$44.3 million for the six months ended 30 September 2024 (“HY2025”). This was mainly attributed to an increase in the revenue from the lifting and haulage segment.

Lifting and haulage services

Lifting and haulage revenue increased by \$1.9 million or 6.8% from \$27.9 million in HY2024 to \$29.8 million in HY2025. The increase was primarily driven by the lifting and haulage services in Singapore due to the commencement of certain projects during the period.

Manpower services

Manpower services consist of port services and work train operation services.

Port services revenue decreased marginally by \$0.1 million or 0.9% from \$11.6 million in HY2024 to \$11.5 million in HY2025 mainly due to the completion of the inter-gateway contract with PSA for prime movers services during the period.

Work train operation services revenue increased by \$0.8 million or 39.0% from \$2.2 million in HY2024 to \$3.0 million in HY2025. The increase was mainly due to higher demand for the manpower services for the LTA project in HY2025.

Others

Trading revenue classified under others segment decreased by \$1.5 million due to the absence of trading activities which were transacted on an ad hoc basis when favourable opportunities arose.

2. Review of Group performance (cont'd)

Review of statement of comprehensive income (cont'd)

Cost of sales and gross profit

Cost of sales increased by \$1.4 million or 4.1% from \$35.0 million in HY2024 to \$36.4 million in HY2025, mainly due to an increase in labour related costs of \$2.8 million, increase in insurance of \$0.1 million and increase in crane rental expenses of \$0.2 million. This was partially offset by a decrease in the purchase of cranes for trading purposes of \$1.3 million, decrease in maintenance expenses of \$0.3 million and decrease in rental expenses of \$0.1 million.

Gross profit decreased by \$0.3 million or 3.3% from \$8.2 million (representing a gross margin of 19.0%) in HY2024 to \$7.9 million (representing a gross margin of 17.9%) in HY2025.

The lower gross profit margin in HY2025 was mainly attributed to a decrease in gross profit margin of the lifting and haulage services from 22.5% in HY2024 to 20.8% in HY2025 as well as the port services from 12.9% in HY2024 to 9.2% in HY2025. However, the decline was partly offset by an improvement in gross profit margin of the work train operation services from 10.5% to 22.4% during the period.

Other income

Other income decreased by \$1.2 million or 45.2% from \$2.7 million in HY2024 to \$1.5 million in HY2025, mainly due to a decrease in handling and storage income of \$0.4 million, decrease in government grants of \$0.3 million and the absence of a reversal for loss allowances on trade and other receivables of \$1.1 million that was recorded in HY2024. This was partially offset by an increase in gain on disposal of equipment of \$0.7 million.

Distribution expenses

Distribution expenses decreased by \$0.2 million or 45.2% from \$0.4 million in HY2024 to \$0.2 million in HY2025, mainly due to a decrease in commission expenses.

Administrative expenses

Administrative expenses increased by \$0.5 million or 7.5% from \$6.4 million in HY2024 to \$6.9 million in HY2025, mainly due to higher medical expenses of \$0.2 million, as well as higher rental expense of \$0.4 million. This was partially offset by a decrease in legal and professional fees of \$0.1 million.

2. Review of Group performance (cont'd)

Review of statement of comprehensive income (cont'd)

Other losses

Other losses decreased by \$0.1 million was mainly due to the absence in loss on disposal of property, plant and equipment of \$0.2 million, which was partially offset by the provision for loss allowances on trade and other receivables of \$0.1 million in HY2025.

Net finance costs

Net finance costs decreased by \$1.0 million from \$1.4 million to \$0.4 million mainly due to a net increase in exchange gain arising from receivables denominated in Malaysian Ringgit of \$1.3 million which was partially offset by an increase in interest expense on lease liabilities of \$0.3 million.

Income tax expense

Income tax expense decreased from \$0.6 million in HY2024 to \$0.4 million in HY2025 mainly due to lower taxable income from the lifting and haulage segment.

Profit for the year

The Group's profit decreased by \$0.4 million from \$1.8 million in HY2024 to \$1.4 million in HY2025 as a result of the reasons explained in the preceding paragraphs.

2. Review of Group performance (cont'd)

Review of Financial Position

Non-Current Assets

Our non-current assets amounted to \$142.6 million or 72.3% of our total assets of \$197.4 million as at 30 September 2024. The decrease in non-current assets of \$5.9 million or 3.9% compared to as at 31 March 2024 was mainly due to depreciation expense of \$8.3 million and net disposal in equipment of \$0.8 million in HY2025. This was partially offset by an increase in equipment and right-of-use (“ROU”) assets of \$2.1 million and \$1.1 million acquired in HY2025.

Current Assets

As at 30 September 2024, our current assets amounted to \$54.8 million or 27.7% of our total assets of \$197.4 million.

The decrease in current assets of \$0.4 million or 0.7% as compared to as at 31 March 2024 was mainly due to a decrease in cash and cash equivalents of \$2.1 million. However, the decrease was partially offset by an increase in trade and other receivables of \$1.1 million as well as an increase in other non-financial assets relating to deposits and prepayment of \$0.6 million.

Non-Current Liabilities

As at 30 September 2024, our non-current liabilities amounted to \$39.3 million or 39.5% of our total liabilities of \$99.4 million. The decrease in non-current liabilities of \$5.5 million or 12.2% compared to as at 31 March 2024 was due to a decrease in finance lease liabilities amounting to \$4.6 million and decrease in loans and borrowings of \$0.9 million.

Current Liabilities

As at 30 September 2024, our current liabilities amounted to \$60.1 million or 60.5% of our total liabilities of \$99.4 million.

The decrease in current liabilities of \$1.3 million as compared to as at 31 March 2024 was mainly contributed by a decrease in trade and other payables of \$4.9 million mainly due to conversion of trade payables owing to suppliers into hire purchase financing. This was partially offset by an increase in income tax payable of \$0.1 million, loans and borrowings of \$2.3 million and current lease liabilities of \$1.2 million.

The Group was in a net current liability position of \$5.3 million as at 30 September 2024. These net current liabilities will be reduced upon conversion of approximately \$3.2 million of current trade payable relating to the purchase of cranes into hire purchase financing as well as the refinancing of the Group’s unencumbered equipment.

The Board confirms that the Group has sufficient financial resources to meet its short-term debt obligations when they fall due.

2. Review of Group performance (cont'd)

Review of Cash flow Statement

The Group's net cash from operating activities for HY2025 decreased by \$4.9 million as compared to HY2024 due to net outflow of working capital.

The Group recorded a net cash from investing activities for HY2025 of \$0.9 million as compared to a net cash used in investing activities for HY2024 of \$2.4 million. This was mainly due to a decrease in acquisition of property, plant and equipment of \$2.6 million, partially offset by an increase in proceeds from the sale of property, plant and equipment of \$0.8 million.

The Group's net cash used in financing activities for HY2024 decreased by \$1.8 million in HY2025 as compared to HY2024. This was mainly due to higher proceeds from loans and borrowings of \$6.0 million and lower dividends paid of \$0.1 million. This was partially offset by an increase in interest paid of \$0.3 million, increase in payments of lease liabilities of \$2.0 million, and increase in repayment of loans and borrowings of \$2.0 million.

3. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The latest financial statements as at 31 March 2024 have an unmodified opinion.

4. 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	
	6 months ended 30 September	
	2024	2023
Profit attributable to the owners of the Group (S\$'000)	1,384	1,827
Weighted average number of ordinary shares in issue ('000)	317,364	308,219
Basic and fully diluted earnings per share (Singapore cents)	0.44	0.59

The Company does not have any potential dilutive ordinary shares in existence for HY2025 and HY2024.

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

The financial results of the Group for HY2025 was principally in line with the commentary stated in paragraph 11 of the previous result announcement for year ended 31 March 2024 of the Group dated 29 May 2024.

6. 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's lifting and haulage services remain challenging in the next 6 to 12 months due to the competitive business landscape, tight labour market and higher borrowing costs.

For the manpower services, the Group will continue to manage the manpower cost of the segment closely.

As announced by the Company on 2 November 2023 relating to the acceptance of the Jurong Town Corporation's offer for further term of lease for 20 years commencing 1 December 2028 at 22 Soon Lee Road Singapore 628082 (the "Offer Letter") and subsequent announcement dated 30 October 2024 on the completion of the disposal of the property at 8 Tuas South Street 10 Singapore 636943, the Group will be looking into the redevelopment of the property at 22 Soon Lee Road to fulfil the investment requirement under the Offer Letter.

7. Dividend information

If a decision regarding dividend has been made:

(a) Whether an interim (final) dividend has been declared (recommended) for current financial period reported on

Nil.

(b)(i) Amount per share for current financial period

Not applicable.

(b)(ii) Amount per share for previous corresponding period

Not applicable.

(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 shareholders, this must be stated)

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 PM) will be registered before entitlement to the dividend are determined

Not applicable.

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

No interim dividend has been declared for HY2025 as the Board wishes to review the full year financial performance of the Group before making any declaration or recommendation.

9. 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) of the Catalist Rules. If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for IPTs. There was no IPTs of \$100,000 and above being entered into by the Group during HY2025.

10. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H of the Catalist Rules) under Rule 720(1) of the Catalist Rules.

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

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

The Company did not incorporate or 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.

Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited condensed interim financial statements for the six-month period ended 30 September 2024 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Ong Lim Wan @ Ong Teck Meng
Executive Chairman and Chief Executive Officer

Ong Boon Tat
Executive Vice Chairman

12 November 2024

This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). The announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Lee Khai Yinn (Tel: 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.