



(Company Registration No. 201414628C)

MS HOLDINGS LIMITED

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021**

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("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 Charmian Lim (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.



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CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

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

	Note	Group		
		Six months ended 31 October		
		2021	2020	Change
		S\$'000	S\$'000	%
Revenue	4.2	9,158	3,955	>100
Cost of sales		(10,290)	(3,574)	>100
Gross (loss)/profit		(1,132)	381	NM
Other income	6.1	229	964	(76.2)
Distribution expenses		(9)	(4)	>100
General and administrative expenses		(1,855)	(1,886)	(1.6)
Finance costs		(351)	(503)	(30.2)
Loss before income tax	6.1	(3,118)	(1,048)	>100
Income tax credit	7	421	94	>100
Loss for the period representing total comprehensive loss for the period		(2,697)	(954)	>100
Loss representing total comprehensive loss attributable to:				
Owners of the Company		(2,708)	(945)	>100
Non-controlling interests		11	(9)	NM
		(2,697)	(954)	>100
Loss per share attributable to owners of the Company (cents per share)				
Basic and diluted loss per share		(1.63)	(0.57)	>100

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

B. Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31.10.2021 S\$'000	30.04.2021 S\$'000	31.10.2021 S\$'000	30.04.2021 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	10	37,864	45,585	15	16
Investment in subsidiaries		-	-	23,328	23,328
Total non-current assets		37,864	45,585	23,343	23,344
Current assets					
Trade and other receivables		3,728	4,754	1,432	3,860
Inventories		349	8	-	-
Cash and bank balances		9,999	10,546	1,561	1,741
Total current assets		14,076	15,308	2,993	5,601
Total assets		51,940	60,893	26,336	28,945
EQUITY AND LIABILITIES					
Equity					
Share capital	12	29,334	29,334	29,334	29,334
Merger reserve		(19,728)	(19,728)	-	-
Retained earnings/(Accumulated losses)		14,826	19,192	(3,344)	(1,692)
Equity attributable to owners of the Company		24,432	28,798	25,990	27,642
Non-controlling interests		88	77	-	-
Total equity		24,520	28,875	25,990	27,642
Non-current liabilities					
Borrowings	11	12,872	13,069	-	-
Lease liabilities	11	3,370	3,771	-	-
Deferred tax liabilities		856	1,312	3	3
Provision for reinstatement cost		400	400	-	-
Total non-current liabilities		17,498	18,552	3	3
Current liabilities					
Borrowings	11	7,353	8,823	-	-
Lease liabilities	11	922	1,807	-	-
Trade and other payables		1,595	2,812	312	1,287
Income tax payable		52	24	31	13
Total current liabilities		9,922	13,466	343	1,300
Total liabilities		27,420	32,018	346	1,303
Total equity and liabilities		51,940	60,893	26,336	28,945

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

C. Condensed Interim Statements of Changes in Equity

	Attributable to the owners of the Company				Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Merger reserve S\$'000	Retained earnings S\$'000	Total S\$'000		
Group						
2021						
Balance at 1 May 2021	29,334	(19,728)	19,192	28,798	77	28,875
Loss for the period, representing total comprehensive income for the period	-	-	(2,708)	(2,708)	11	(2,697)
Dividends on ordinary shares	-	-	(1,658)	(1,658)	-	(1,658)
Balance at 31 October 2021	29,334	(19,728)	14,826	24,432	88	24,520
2020						
Balance at 1 May 2020	29,334	(19,728)	15,968	25,574	87	25,661
Loss for the period, representing total comprehensive income for the period	-	-	(945)	(945)	(9)	(954)
Balance at 31 October 2020	29,334	(19,728)	15,023	24,629	78	24,707

	Share capital S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Company			
2021			
Balance at 1 May 2021	29,334	(1,692)	27,642
Profit for the period, representing total comprehensive income for the period	-	6	6
Dividends on ordinary shares	-	(1,658)	(1,658)
Balance at 31 October 2021	29,334	(3,344)	25,990
2020			
Balance at 1 May 2020	29,334	(1,197)	28,137
Loss for the period, representing total comprehensive loss for the period	-	(27)	(27)
Balance at 31 October 2020	29,334	(1,224)	28,110

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Group	
		Six months ended	
		31 October	
		<u>2021</u>	<u>2020</u>
		S\$'000	S\$'000
Operating activities			
Loss before income tax		(3,118)	(1,048)
Adjustments for:			
Depreciation of property, plant and equipment	6.1	1,633	1,716
Gain on disposal of plant and equipment	6.1	(24)	-
Loss on disposal of plant and equipment	6.1	2,330	20
Loss allowance on trade receivables	6.1	1	68
Loss allowance on trade receivables written back	6.1	(33)	(9)
Bad debts written off	6.1	4	-
Interest income	6.1	(1)	(20)
Interest expense	6.1	351	503
Operating cash flows before movements in working capital		1,143	1,230
<i>Changes in working capital</i>			
Trade and other receivables		1,054	613
Inventories		(349)	-
Trade and other payables		(1,217)	186
Cash generated from operations		631	2,029
Income taxes paid		(7)	- [#]
Net cash generated from operating activities		624	1,560
Investing activities			
Purchase of property, plant and equipment	10	(78)	(147)
Proceeds from disposal of property, plant and equipment		3,868	1
Interest income		1	1
Net cash generated from/(used in) investing activities		3,791	(145)
Financing activities			
Proceeds from bank borrowings		-	5,000
Repayments of bank borrowings		(1,667)	(3,088)
Payments of principal portion of lease liabilities		(1,286)	(1,233)
Interest paid		(351)	(469)
Dividend paid		(1,658)	-
Net cash (used in)/generated from financing activities		(4,962)	679
Net (decrease)/increase in cash and cash equivalents		(547)	2,094
Cash and cash equivalents at 1 May		10,546	9,950
Cash and cash equivalents at 31 October		9,999	12,044

[#] Amount less than S\$1,000



(Company Registration No. 201414628C)

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

MS Holdings Limited (Co. Reg. No: 201414628C) (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The immediate and ultimate holding company is Loke Investments Pte. Ltd..

These condensed interim consolidated financial statements as at and for the six months ended 31 October 2021 comprise the Company and its subsidiaries (collectively, the “**Group**”). The principal activity of the Company is that of investment holding.

The principal activities of the Group are supply and provision of cranes and related services as well as trading of mobile cranes and related equipment.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 31 October 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**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 30 April 2021.

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

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

2.1. New and amended standards adopted by the Group

The condensed interim financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recent audited financial statements of the Group for the financial year ended 30 April 2021. The Group has adopted new and revised SFRS (I) and interpretations of SFRS (I) applicable to the Group which are effective for the financial year beginning 1 May 2021. These are not expected to have a material impact on the Group’s condensed interim financial statements.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 April 2021.

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.

3. Seasonal operations

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

4. Segment and revenue information

The Group is organised into business units based on their products and services, and has three reportable segments as follows:

- | | |
|-------------|---|
| I. Leasing | The rental income from hiring of cranes |
| II. Trading | The sale of cranes and other equipment, spare parts, and provision of leasing of cranes |
| III. Others | Investment holding or corporate functions |

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the chief executive officer who make strategic decisions.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

4.1. Reportable segments

1 May 2021 to 31 October 2021	<u>Leasing</u> S\$'000	<u>Trading</u> S\$'000	<u>Others</u> S\$'000	<u>Total</u> S\$'000
Revenue:				
External sales	5,339	3,800	19	9,158
Inter-segment sales	2	481	-	483
	<u>5,341</u>	<u>4,281</u>	<u>19</u>	<u>9,641</u>
Elimination				<u>(483)</u>
				<u>9,158</u>
Results:				
Other income	189	-	15	204
Interest income	1	-	-	1
Gain on disposal of plant and equipment	24	-	-	24
Loss on disposal of plant and equipment ⁽¹⁾	-	2,330	-	2,330
Finance cost	312	39	-	351
Depreciation	1,500	129	4	1,633
Other non-cash expenses	5	-	(33)	(28)
Tax expense/(credit)	(512)	69	22	(421)
Segment profit/(loss)	<u>217</u>	<u>(2,541)</u>	<u>(794)</u>	<u>(3,118)</u>
Segment assets	<u>42,342</u>	<u>6,842</u>	<u>2,756</u>	<u>51,940</u>
Segment liabilities	23,078	3,184	250	26,512
Provision for taxation	-	21	31	52
Deferred tax liabilities	494	359	3	856
	<u>23,572</u>	<u>3,564</u>	<u>284</u>	<u>27,420</u>

⁽¹⁾The loss on disposal of plant & equipment was pertaining to the reclassification of plant & equipment of S\$6.2 million to inventories and subsequently being sold to third party during the year.

1 May 2020 to 31 October 2020

Revenue:				
External sales	3,800	-	155	3,955
Inter-segment sales	109	215	181	505
	<u>3,909</u>	<u>215</u>	<u>336</u>	<u>4,460</u>
Elimination				<u>(505)</u>
				<u>3,955</u>
Results:				
Other income	844	1	79	924
Interest income	20	-	-	20
Loss on disposal of plant and equipment	20	-	-	20
Finance cost	459	44	-	503
Depreciation	1,582	128	6	1,716
Other non-cash expenses	(9)	-	68	59
Tax expense/(credit)	(98)	-	4	(94)
Segment loss	<u>(20)</u>	<u>(248)</u>	<u>(780)</u>	<u>(1,048)</u>
Segment assets	<u>59,999</u>	<u>2,498</u>	<u>3,395</u>	<u>65,892</u>
Segment liabilities	35,217	4,019	230	39,466
Provision for taxation	-	7	15	22
Deferred tax liabilities	1,397	298	2	1,697
	<u>36,614</u>	<u>4,324</u>	<u>247</u>	<u>41,185</u>

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

4.2. Disaggregation of Revenue

	Group	
	Six months ended 31 October	
	2021 S\$'000	2020 S\$'000
Revenue		
At point in time	9,158	3,955
Revenue		
Singapore	9,158	3,955

Disaggregation of revenue from contract with customers

The Group derives revenue from the following business segments and by type of goods or services, as follows:

	Group			
	Six months ended 31 October 2021			
	Leasing S\$'000	Trading S\$'000	Others S\$'000	Total S\$'000
Type of goods or service:				
Rental income	5,339	-	-	5,339
Trading income	-	3,800	-	3,800
Rendering of services	-	-	-	-
Others	-	-	19	19
Total	5,339	3,800	19	9,158
	Group			
	Six months ended 31 October 2020			
	Leasing S\$'000	Trading S\$'000	Others S\$'000	Total S\$'000
Type of goods or service:				
Rental income	3,800	-	-	3,800
Trading income	-	-	-	-
Rendering of services	-	-	155	155
Others	-	-	-	-
Total	3,800	-	155	3,955

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 October 2021 and 30 April 2021:

	Group		Company	
	<u>31.10.2021</u>	<u>30.04.2021</u>	<u>31.10.2021</u>	<u>30.04.2021</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
Trade and other receivables (less advances to suppliers & prepayment)	3,491	4,517	1,417	3,848
Cash and bank balances	9,999	10,546	1,561	1,741
Financial assets at amortised cost	<u>13,490</u>	<u>15,063</u>	<u>2,978</u>	<u>5,589</u>
Financial liabilities				
Borrowings	20,225	21,892	-	-
Lease liabilities	4,292	5,578	-	-
Trade and other payables (less GST payable)	1,238	2,264	287	1,266
Financial liabilities at amortised cost	<u>25,755</u>	<u>29,734</u>	<u>287</u>	<u>1,266</u>

6. Profit before taxation

6.1. Significant items

	Group	
	Six months ended	
	31 October	
	<u>2021</u>	<u>2020</u>
	S\$'000	S\$'000
Income		
Rental income from subleased leasehold land and buildings	29	199
Service income	63	120
Interest income	1	20
Government grants/incentives	101	599
Miscellaneous income	11	26
Gain on disposal of plant and equipment	24	-
Expenses		
Depreciation of property, plant and equipment	1,633	1,716
Loss on disposal of plant and equipment	2,330	20
Loss allowance on trade receivables	1	68
Loss allowance on trade receivables written back	(33)	(9)
Bad debts written off	4	-
Interest expense	351	503

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

6.2. Related party transactions

The transactions and outstanding balances related to key management personnel, close family members of key management personnel and entities in which the key management personnel have control or joint control were as follows:

	Group			
	Transactions for the Six months ended 31 October		Outstanding balances	
	2021 S\$'000	2020 S\$'000	31.10.2021 S\$'000	30.04.2021 S\$'000
Hwee Guan Pte. Ltd.	3	1	2	2

The Group rents mobile cranes from Hwee Guan Pte. Ltd., a company owned by a close family member of one of the key management personnel of the Company. The rent charged was based on normal market rates for such rental and were due and payable under normal payment terms.

Key management personnel remuneration

	Group	
	Six months ended 31 October	
	2021 S\$'000	2020 S\$'000
Short-term benefits	618	522
Employers' contribution to defined contribution plans	24	24
	<u>642</u>	<u>546</u>

7. Taxation

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

	Group	
	Six months ended 31 October	
	2021 S\$'000	2020 S\$'000
Current tax expenses	35	4
Deferred tax expenses	(456)	(98)
	<u>(421)</u>	<u>(94)</u>

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

8. Dividends

	<u>Group</u>	
	<u>Six months ended</u>	
	<u>31 October</u>	
	<u>2021</u>	<u>2020</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Ordinary dividends paid:		
Final dividend paid in respect of 30 April 2021	1,658	-
Dividend per share (net of tax)	1.0 cent	-

9. Net asset value

	<u>Group</u>		<u>Company</u>	
	<u>31.10.2021</u>	<u>30.04.2021</u>	<u>31.10.2021</u>	<u>30.04.2021</u>
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Net asset value per share (cents)	14.7	17.4	15.7	16.7

The net asset value per ordinary share of the Group and the Company as at 31 October 2021 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 165,789,460 (30 April 2021: 165,789,460).

10. Property, plant and equipment

During the six months ended 31 October 2021, the Group acquired assets amounting to S\$78,000 (31 October 2020: S\$147,000) and disposed of assets amounting to S\$8.6 million (31 October 2020: S\$116,000).

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

E. Notes to the Condensed Interim Consolidated Financial Statements

11. Borrowings

	Group			
	31.10.2021		30.04.2021	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand				
Borrowings	7,353	-	8,823	-
Lease liabilities*	922	-	1,807	-
Amount repayable after one year				
Borrowings	12,872	-	13,069	-
Lease liabilities*	3,370	-	3,771	-

* The lease liabilities consist of finance lease liabilities of S\$1,077,000 (30 April 2021: S\$2,308,000) and lease liabilities of S\$3,215,000 (30 April 2021: S\$3,270,000) which relate to right-of-use assets.

The banking facilities are secured by the following:
(a) legal mortgage of the Group's leasehold building;
(b) corporate guarantee by the Company; and
(c) certain cranes and motor vehicles

12. Share capital

	Group and Company			
	31.10.2021	30.04.2021	31.10.2021	30.04.2021
	No. of ordinary shares '000	'000	S\$'000	S\$'000
Issued and fully paid:				
At 1 May and 31 October	165,789	165,789	29,334	29,334

There were no changes in the Company's share capital since 30 April 2021.

As at 31 October 2021 and 31 October 2020, there were no treasury shares and subsidiary holdings in the Company. There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on.

As at 31 October 2020, there were a total of 15,947,365 warrants outstanding, each warrant carrying the right to subscribe for one share at the exercise price of S\$0.13 per share. The warrants have since expired on 28 October 2021.

13. Subsequent Event

There are no known subsequent events which have led to adjustments to this set of Financial Statements.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

F. Other Information Required by Listing Rule Appendix 7C

1. Review

The condensed consolidated statement of financial position of MS Holdings Limited and its subsidiaries as at 31 October 2021 and the related condensed consolidated profit or loss and other 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 have not been audited or reviewed by our auditors.

2. Review of performance of the Group

Review of the Group's statement of profit or loss and other comprehensive income

Revenue

For the six-month financial period ended 31 October 2021 ("1H2022"), the Group's revenue increased by S\$5.2 million or 131.6% to S\$9.2 million, compared to S\$4.0 million in the six-month financial period ended 31 October 2020 ("1H2021"). This was mainly due to a one-time sale of used mobile crane of S\$3.8 million recorded under the trading segment and gradual resumption of construction worksites and non-essential workplaces as well as the easing of manpower restrictions as compared to 1H2021.

Cost of sales and gross (loss)/profit

Cost of sales increased by S\$6.7 million or 187.9% from S\$3.6 million in 1H2021 to S\$10.3 million in 1H2022 due to the reclassification of the plant and equipment of S\$6.2 million to inventories and subsequently being sold to third party during the year.

Consequently, the gross profit decreased from S\$0.4 million in 1H2021 to a gross loss of S\$1.1 million in 1H2022.

Other income

Other income decreased by S\$0.7 million or 76.2% from S\$1.0 million in 1H2021 to S\$0.2 million in 1H2022, mainly due to the decrease in government grants under COVID-19 support programs and schemes of S\$0.5 million and decrease in rental and service income of S\$0.2 million.

Distribution expenses

Distribution expenses were not significant and were less than S\$0.1 million for both 1H2021 and 1H2022.

General and administrative expenses

General and administrative expenses was stable at S\$1.9 million for both 1H2021 and 1H2022.

Finance costs

Finance costs decreased approximately S\$0.1 million or 30.2% from S\$0.5 million in 1H2021 to S\$0.4 million in 1H2022, mainly due to the full redemption of certain finance leases.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

F. Other Information Required by Listing Rule Appendix 7C

Income tax credit

The income tax credit increased by S\$0.3 million from S\$0.1 million in 1H2021 to S\$0.4 million in 1H2022, mainly due to the taxable temporary differences in tax and accounting depreciation.

Net loss

As a result of the above, the Group reported a net loss of approximately S\$2.7 million in 1H2022.

Review of the Group's financial position

Non-current assets

As at 31 October 2021, non-current assets amounted to S\$37.9 million or 72.9% of total assets of S\$52.0 million. Non-current assets decreased by S\$7.7 million from S\$45.6 million as at 30 April 2021 to S\$37.9 million as at 31 October 2021 due to the one-time sale of used mobile crane with a net book value of S\$6.2 million and depreciation of property, plant and equipment.

Current assets

As at 31 October 2021, current assets amounted to S\$14.1 million or 27.1% of total assets of S\$52.0 million. Current assets decreased by S\$1.2 million from S\$15.3 million as at 30 April 2021 to S\$14.1 million as at 31 October 2021 due to reasons explained below.

Trade and other receivables decreased by S\$1.0 million from S\$4.7 million as at 30 April 2021 to S\$3.7 million as at 31 October 2021.

Inventories increased by S\$0.3 million.

Cash and bank balances decreased by S\$0.5 million from S\$10.5 million as at 30 April 2021 to S\$10.0 million as at 31 October 2021. More details on changes to the cash and bank balances can be found under the "Review of the Group's statement of cash flows" section below.

Current liabilities

As at 31 October 2021, current liabilities amounted to S\$9.9 million or 36.2% of total liabilities of S\$27.4 million. Current liabilities decreased by S\$3.6 million from S\$13.5 million as at 30 April 2021 to S\$9.9 million as at 31 October 2021 due to reasons explained below.

Trade and other payables decreased by S\$1.2 million from S\$2.8 million as at 30 April 2021 to S\$1.6 million as at 31 October 2021 due to decrease in accrual for employee benefits.

Current portion of borrowings decreased by S\$1.4 million from S\$8.8 million as at 30 April 2021 to S\$7.4 million as at 31 October 2021 due to repayment of loans.

Current portion of lease liabilities decreased by S\$0.9 million from S\$1.8 million as at 30 April 2021 to S\$0.9 million as at 31 October 2021 due to repayment of lease liabilities.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

F. Other Information Required by Listing Rule Appendix 7C

Non-current liabilities

As at 31 October 2021, non-current liabilities amounted to S\$17.5 million or 63.8% of total liabilities of S\$27.4 million. Non-current liabilities decreased by S\$1.1 million from S\$18.6 million as at 30 April 2021 to S\$17.5 million as at 31 October 2021 due to reasons explained below.

Non-current portion of borrowings decreased by S\$0.2 million from S\$13.1 million as at 30 April 2021 to S\$12.9 million as at 31 October 2021 due to repayment of loans.

Non-current portion of lease liabilities decreased by S\$0.4 million from S\$3.8 million as at 30 April 2021 to S\$3.4 million as at 31 October 2021 due to repayment of lease liabilities.

Deferred tax liabilities decreased by S\$0.4 million from S\$1.3 million as at 30 April 2021 to S\$0.9 million as at 31 October 2021.

Provision for reinstatement cost remained unchanged at S\$0.4 million as at 30 April 2021 and 31 October 2021.

Total equity

Total equity attributable to owners of the Company decreased by S\$4.4 million from S\$28.9 million as at 30 April 2021 to S\$24.5 million as at 31 October 2021, mainly due to net loss of S\$2.7 million in 1H2022 and dividend paid for FY2021 of S\$1.7 million.

Review of the Group's statement of cash flows

In 1H2022, the Group generated net cash from operating activities before changes in working capital of S\$1.1 million. Net cash used in working capital amounted to S\$0.5 million, mainly due to a decrease in trade and other receivables of S\$1.0 million, partially offset by the increase in inventories of S\$0.3 million and decrease in trade and other payables of S\$1.2 million. As a result, net cash generated from operating activities amounted to S\$0.6 million.

Net cash generated from investing activities amounted to S\$3.8 million, mainly due to proceeds from disposal of plant and equipment of S\$3.9 million and partially offset by the purchase of new plant and equipment.

Net cash used in financing activities amounted to S\$5.0 million, mainly due to repayment of loans of S\$1.7 million, repayment of lease liabilities of S\$1.3 million and payment of dividend of S\$1.7 million. The Group also paid interest expense of S\$0.3 million.

As a result of the above, the Group's cash and cash equivalents decreased by S\$0.5 million from S\$10.5 million as at 30 April 2021 to S\$10.0 million as at 31 October 2021.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

F. Other Information Required by Listing Rule Appendix 7C

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

No forecast nor prospect statement has been previously disclosed to shareholders.

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

The board of directors (“**Board**” or “**Directors**”) of the Company believes that the outlook for the crane rental business shall remain challenging in view of the COVID-19 pandemic. The Group will continue to focus on optimising cost and deployment of its fleet of mobile cranes and lorry cranes. The Group will also remain on the lookout for new business opportunities to grow its profitability.

5. Dividend information

(a) Current Financial Period Reported On.

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the immediately preceding financial year.

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

No.

(c) Date payable

Not applicable.

(d) Book closure date

Not applicable.

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

No dividend has been declared for 1H2022 as the Group is loss making.

7. Interested person transactions

The Group has not obtained a general mandate from shareholders for interested person transactions. There was no interest person transaction of S\$100,000 or more in 1H2022.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2021

F. Other Information Required by Listing Rule Appendix 7C

8. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Group 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.

9. Negative confirmation pursuant to Rule 705(5)

The Board hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the results for the six-month financial period ended 31 October 2021 of the Group and the Company to be false or misleading in any material aspect.

10. Use of proceeds from the Rights cum Warrants Issue

The re-allocation of the net proceeds from the Rights cum Warrants Issue set out in the table below is consistent with the intended uses as set out in the announcement dated 3 April 2020 in relation to the Rights cum Warrants Issue.

Use of proceeds	Amount allocated pursuant to the re-allocation (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Balance of net proceeds as at the date of this announcement (S\$'000)
Business expansion	132	132	–
General working capital ⁽¹⁾	3,673	2,772	901
Total	3,805	2,904	901

⁽¹⁾ General working capital consisted of payments to suppliers and subcontractors, administrative and operating expenses.

BY ORDER OF THE BOARD

Yap Chin Hock
Executive Director and Chief Executive Officer

Ng Chui Hwa
Executive Director

15 December 2021