

Yongmao Holdings Limited and its subsidiaries
(Company Registration No.200510649K)

Condensed interim financial statements
For the second half year and full year ended 31 March 2024

A. Condensed interim consolidated statement of profit or loss and other comprehensive income for the second half year and full year ended 31 March 2024

	Note	Group (Second Half)			Group (Full Year)		
		RMB'000		%	RMB'000		%
		6 months ended 31 Mar 2024 (2H FY2024)	6 months ended 31 Mar 2023 (2H FY2023)	Increase/ (Decrease)	12 months ended 31 Mar 2024 (FY2024)	12 months ended 31 Mar 2023 (FY2023)	Increase/ (Decrease)
Revenue	5	309,703	402,484	(23.1)	790,849	915,716	(13.6)
Cost of sales		(229,527)	(296,460)	(22.6)	(561,915)	(661,696)	(15.1)
Gross profit		80,176	106,024	(24.4)	228,934	254,020	(9.9)
Other income		6,794	9,340	(27.3)	10,951	15,864	(31.0)
Distribution costs		(48,865)	(40,897)	19.5	(90,143)	(97,859)	(7.9)
Administrative expenses		(33,090)	(43,226)	(23.4)	(75,814)	(84,951)	(10.8)
Other operating expenses		5,285	(4,336)	NM	2,009	(1,072)	NM
Finance costs		(8,315)	(9,394)	(11.5)	(16,526)	(17,348)	(4.7)
Gain from bargain purchase of a subsidiary		178	-	NM	178	-	NM
Shares of results of an associate net of tax	11	(13)	(22)	(40.9)	(36)	(638)	(94.4)
Total operating expenses		(84,820)	(97,875)	(13.3)	(180,332)	(201,868)	(10.7)
Profit before taxation	6	2,150	17,489	(87.7)	59,553	68,016	(12.4)
Taxation	7	3,729	(316)	NM	(6,051)	(8,983)	(32.6)
Net profit for the period/year		5,879	17,173	(65.8)	53,502	59,033	(9.4)
Other comprehensive (expense)/income:							
Item that <u>may</u> be reclassified							
Exchange translation difference		(1,920)	(1,422)	35.0	9,889	13,878	(28.7)
Item that <u>cannot</u> be reclassified to profit or loss:							
Fair value (loss)/gain on financial assets, FVOCI ²		(14,660)	21,740	NM	(27,017)	24,349	NM
Exchange translation difference		(1,254)	(2,851)	(56.0)	4,272	5,080	(15.9)
Other comprehensive (expense)/income of the period, net of tax		(17,834)	17,467	NM	(12,856)	43,307	NM
Total comprehensive (expense)/income for the period/year		(11,955)	34,640	NM	40,646	102,340	(60.3)
Profit attributable to:							
Equity holders of the Company		2,825	12,971	(78.2)	42,971	51,306	(16.2)
Non-controlling interests		3,054	4,202	(27.3)	10,531	7,727	36.3
Net profit for the period/year		5,879	17,173	(65.8)	53,502	59,033	(9.4)
Total comprehensive (expense)/income attributable to:							
Equity holders of the Company		(13,755)	33,289	NM	25,843	89,533	(71.1)
Non-controlling interests		1,800	1,351	33.2	14,803	12,807	15.6
Total comprehensive (expense)/income for the period/year		(11,955)	34,640	NM	40,646	102,340	(60.3)

NM: Not Meaningful

B. Condensed interim statements of financial position as at 31 March 2024

	Note	Group		Company	
		31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-current					
Property, plant and equipment	10	714,918	574,277	-	-
Subsidiaries		-	-	344,631	344,363
Investment in an associate	11	-	196	-	-
Financial assets, at FVOCI	12	83,425	110,442	83,425	110,442
Deferred tax assets		40,520	32,668	-	-
		<u>838,863</u>	<u>717,583</u>	<u>428,056</u>	<u>454,805</u>
Current					
Inventories		408,742	416,330	-	-
Trade and other receivables	13	594,126	603,727	233	276
Amounts owing by subsidiaries		-	-	65,521	27,276
Amounts owing by related parties		47,051	46,765	-	-
Amount owing by a corporate shareholder of a subsidiary		-	-	-	-
Cash and cash equivalents	14	174,577	249,795	2,949	6,071
		<u>1,224,496</u>	<u>1,316,617</u>	<u>68,703</u>	<u>33,623</u>
TOTAL ASSETS		<u>2,063,359</u>	<u>2,034,200</u>	<u>496,759</u>	<u>488,428</u>
EQUITY					
Capital and Reserves					
Share capital	15	312,484	312,484	312,484	312,484
Reserves		615,128	598,701	180,379	170,865
Equity attributable to equity holders of the Company		<u>927,612</u>	<u>911,185</u>	<u>492,863</u>	<u>483,349</u>
Non-controlling interests		58,766	76,979	-	-
TOTAL EQUITY		<u>986,378</u>	<u>988,164</u>	<u>492,863</u>	<u>483,349</u>
LIABILITIES					
Non-current					
Borrowings	16	2,991	3,256	-	-
Deferred capital grants		8,627	8,855	-	-
Deferred tax liabilities		53,238	46,950	25	-
Trade and other payables	17	9,937	11,123	-	-
		<u>74,793</u>	<u>70,184</u>	<u>25</u>	<u>-</u>
Current					
Trade and other payables	17	656,972	620,002	3,871	5,072
Borrowings	16	291,707	338,138	-	-
Deferred capital grants		229	229	-	-
Amounts owing to/advances from related parties		18,018	12,651	-	-
Amounts owing to a corporate shareholder of a subsidiary		26,862	1,703	-	-
Current tax payable		8,400	3,129	-	7
		<u>1,002,188</u>	<u>975,852</u>	<u>3,871</u>	<u>5,079</u>
TOTAL LIABILITIES		<u>1,076,981</u>	<u>1,046,036</u>	<u>3,896</u>	<u>5,079</u>
TOTAL EQUITY AND LIABILITIES		<u>2,063,359</u>	<u>2,034,200</u>	<u>496,759</u>	<u>488,428</u>

C. Condensed interim statement of changes in equity for the second half year and full year ended 31 March 2024

Group	Share capital	Merger reserve	Statutory common reserve	Fair value reserve	Retained earnings	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
FY2024:									
Balance as at 1 Apr 2023	312,484	(26,769)	88,907	31,767	494,709	10,087	911,185	76,979	988,164
Profit for the period	-	-	-	-	40,146	-	40,146	7,477	47,623
Other comprehensive expenses for the period	-	-	-	(12,357)	-	11,809	(548)	5,526	4,978
Total comprehensive income for the period	-	-	-	(12,357)	40,146	11,809	39,598	13,003	52,601
Dividends	-	-	-	-	(9,416)	-	(9,416)	-	(9,416)
Transfer to statutory common reserve	-	-	2,476	-	(2,476)	-	-	-	-
Balance as at 30 Sep 2023	312,484	(26,769)	91,383	19,410	522,963	21,896	941,367	89,982	1,031,349
Profit for the period	-	-	-	-	2,825	-	2,825	3,054	5,879
Other comprehensive expenses for the period	-	-	-	(14,660)	-	(1,920)	(16,580)	(1,254)	(17,834)
Total comprehensive income/(expense) for the period	-	-	-	(14,660)	2,825	(1,920)	(13,755)	1,800	(11,955)
Transfer to statutory common reserve	-	-	974	-	(974)	-	-	-	-
Investment by non-controlling interest	-	-	-	-	-	-	-	3	3
Dividend to minority interest	-	-	-	-	-	-	-	(33,019)	(33,019)
Balance as at 31 Mar 2024	312,484	(26,769)	92,357	4,750	524,814	19,976	927,612	58,766	986,378

Group	Share capital	Merger reserve	Statutory common reserve	Fair value reserve	Retained earnings	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
FY2023:									
Balance as at 1 Apr 2022	312,484	(26,769)	85,822	7,418	450,805	(3,791)	825,969	64,172	890,141
Profit for the period	-	-	-	-	38,335	-	38,335	3,525	41,860
Other comprehensive expenses for the period	-	-	-	2,609	-	15,300	17,909	7,931	25,840
Total comprehensive (expense)/income for the period	-	-	-	2,609	38,335	15,300	56,244	11,456	67,700
Dividends	-	-	-	-	(4,317)	-	(4,317)	-	(4,317)
Transfer to statutory common reserve	-	-	1,576	-	(1,576)	-	-	-	-
Balance as at 30 Sep 2022	312,484	(26,769)	87,398	10,027	483,247	11,509	877,896	75,628	953,524
Profit for the period	-	-	-	-	12,971	-	12,971	4,202	17,173
Other comprehensive expenses for the period	-	-	-	21,740	-	(1,422)	20,318	(2,851)	17,467
Total comprehensive (expense)/income for the period	-	-	-	21,740	12,971	(1,422)	33,289	1,351	34,640
Transfer to statutory common reserve	-	-	1,509	-	(1,509)	-	-	-	-
Balance as at 31 Mar 2023	312,484	(26,769)	88,907	31,767	494,709	10,087	911,185	76,979	988,164

Company	Share capital	Fair value reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
FY2024:				
Balance as at 1 Apr 2023	312,484	31,767	139,098	483,349
Profit for the period	-	-	(2,355)	(2,355)
Other comprehensive expense for the period	-	(12,357)	-	(12,357)
Total comprehensive income for the period	-	(12,357)	(2,355)	(14,712)
Dividends			(9,416)	(9,416)
Balance as at 30 Sep 2023	312,484	19,410	127,327	459,221
Profit for the period	-	-	48,302	48,302
Other comprehensive income for the period	-	(14,660)	-	(14,660)
Total comprehensive income for the period	-	(14,660)	48,302	33,642
Balance as at 31 Mar 2024	312,484	4,750	175,629	492,863

Company	Share capital	Fair value reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
FY2023:				
Balance as at 1 Apr 2022	312,484	7,418	141,220	461,122
Profit for the period	-	-	4,192	4,192
Other comprehensive expense for the period	-	2,609	-	2,609
Total comprehensive expense for the period	-	2,609	4,192	6,801
Dividends	-	-	(4,317)	(4,317)
Balance as at 30 Sep 2022	312,484	10,027	141,095	463,606
Loss for the period	-	-	(1,997)	(1,997)
Other comprehensive expense for the period	-	21,740	-	21,740
Total comprehensive expense for the period	-	21,740	(1,997)	19,743
Balance as at 31 Mar 2023	312,484	31,767	139,098	483,349

D. Condensed interim consolidated statement of cash flows for the second half and full year ended 31 March 2024

	Group (Second Half)		Group (Full Year)	
	RMB'000		RMB'000	
	6 months ended 31 Mar 2024 (2H FY2024)	6 months ended 31 Mar 2023 (2H FY2023)	12 months ended 31 Mar 2024 (FY2024)	12 months ended 31 Mar 2023 (FY2023)
Note				
Cash flows from operating activities				
Profit before taxation	2,150	17,489	59,553	68,016
Adjustments for :				
Share of results of associate company	13	22	36	638
Amortisation of deferred capital grants	(114)	(115)	(228)	(229)
Depreciation of property, plant and equipment	47,340	42,016	90,429	82,688
Gain on disposal of property, plant and equipment, net	(7)	(812)	(115)	(812)
Gain from bargain purchase of a subsidiary	(178)	-	(178)	-
Property, plant and equipment written off	1,554	34	1,554	1,791
Allowance/(Reversal of provision) for obsolete and slow moving inventory, net	1,514	(4,032)	3,766	(2,070)
(Reversal)/Allowance for expected credit loss, net	(7,702)	5,044	(241)	12,071
Reversal of over-accrual of housing fund contribution	(1,405)	(1,200)	(1,405)	(1,200)
Reversal of provision for warranty	(1,712)	(185)	(1,712)	(185)
Interest expense	8,315	9,394	16,526	17,348
Interest income	(2,028)	(2,225)	(4,902)	(2,764)
Operating profit before working capital changes	47,740	65,430	163,083	175,292
Increase in inventories ¹	(144,001)	(58,269)	(181,416)	(132,810)
Decrease/(Increase) in operating receivables	51,071	(38,570)	14,301	(2,216)
Increase in operating payables	55,463	7,005	27,797	25,447
Cash generated from/(used in) operations	10,273	(24,404)	23,765	65,713
Interest paid	(8,421)	(10,583)	(15,797)	(17,979)
Tax paid	(79)	(6,798)	(3,002)	(12,947)
Net cash generated from/(used in) operating activities	1,773	(41,785)	4,966	34,787
Cash flows from investing activities				
Acquisition of property, plant and equipment	(10,587)	(7,149)	(30,133)	(10,538)
Proceeds from disposal of property, plant and equipment	7	838	453	840
Interest received	1,972	2,154	4,917	2,693
Net cash used in investing activities	(8,608)	(4,157)	(24,763)	(7,005)
Cash flows from financing activities				
Proceeds from borrowings	197,154	133,417	374,011	341,417
Repayment of borrowings	(174,438)	(120,669)	(398,219)	(310,004)
Proceeds from hire purchase with financial institutions	24	319	5,708	21,437
Repayment of hire purchase with financial institutions	(1,944)	(3,281)	(5,370)	(18,979)
Additions from lease liabilities	-	386	-	386
Repayment of principal portion of lease liabilities	(11,039)	(9,785)	(25,424)	(6,368)
Restricted bank balances	(90)	3,020	24,228	10,790
Repayment of loan to a third party	-	-	-	(10,749)
Repayment from a related party	3,731	-	3,731	-
Loan from shareholder of a subsidiary	24,767	-	24,767	-
Cash inflow from acquisition of subsidiary	269	-	269	-
Dividends paid to non-controlling interests	(33,019)	-	(33,019)	-
Dividends paid to equity holders of the company	-	-	(9,416)	(4,317)
Net cash generated from/(used in) financing activities	5,415	3,407	(38,734)	23,613
Net (decrease)/increase in cash and cash equivalents	(1,420)	(42,535)	(58,531)	51,395
Cash and cash equivalents at beginning of period/year	166,465	257,020	215,567	153,472
Exchange adjustments	(468)	1,082	7,541	10,700
Cash and cash equivalents at end of period/year	164,577	215,567	164,577	215,567

Note:

1. Included in increase in inventories for 2H FY2024 of RMB145.5 million (2H FY2023: RMB76.1 million) and Full Year FY2024 of RMB226.9 million (Full Year FY2023: RMB135.2 million) were tower cranes and tower crane components and accessories that were self-constructed which were held for rental purposes and have been presented under operating activities in accordance with SFRS(I) 1-7 Statement of Cash Flows.

E. Notes to the condensed interim consolidated financial statements**1. Corporate information**

The Company is listed on the Singapore Exchange Mainboard and incorporated and domiciled in Singapore as a limited liability company.

These condensed interim consolidated financial statements as at and for the full year ended 31 March 2024 comprise the Company and its subsidiaries (collectively, the Group).

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

- i. Manufacturing and sales of tower cranes and related components; and
- ii. Rental and servicing of tower cranes and construction machinery

2. Basis of preparation

The condensed interim financial statements for the second half and full year ended 31 March 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2023. All references to SFRS(I)s and IFRSs are subsequently referred to as SFRS(I) in the financial statements.

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 Renminbi ("RMB") which is also the Company's functional currency, rounded to the nearest thousand ("RMB'000").

2.1 New and amended Standards adopted by the Group

The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 January 2023. The application of these standards and interpretations did not have a material effect on the condensed interim 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. 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 31 March 2023.

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

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

Management has determined the operating segments based on the reports reviewed by the Group's chief operating decision-maker that are used to make strategic decisions, allocate resources, and assess performance.

The Group's chief operating decision-maker considers the business from a geographic segment perspective. Management manages and monitors the business in the two primary geographical areas of operations namely, 1) the PRC and 2) Hong Kong and Macau. The following summary describes the operations in each of the Group's reportable segments:

The PRC : Engaged predominantly in the manufacture and sale, with some rental and servicing of tower cranes and tower crane components and accessories
 Hong Kong and Macau : Engaged predominantly in the rental and servicing, with some sale of tower cranes and tower crane components and accessories.

Other segments included corporate functions and the sale and servicing of tower cranes and tower crane components and accessories in Singapore. These are not included within the reportable operating segments as they are not separately reported to the Group's chief operating decision-maker and does not meet the quantitative thresholds required by SFRS(I) 8 for reportable segments. The results of these operations are included in the "All other segments" column.

The segment information provided to the Group's chief operating decision-maker for the reportable segment is included below. Performance is measured based on segment profit before taxation, as included in the internal management reports that are reviewed by the Group's chief operating decision-maker. Segment profit is used to measure performance as management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment results

	The PRC RMB'000	HongKong & Macau RMB'000	All other segments RMB'000	Total RMB'000
2H FY2024				
Sales				
Total segment sales	455,713	104,107	59,766	619,586
Inter-segment sales	(296,050)	(12,887)	(946)	(309,883)
Sales to external parties	159,663	91,220	58,820	309,703
Comprises:				
Sale of manufactured tower cranes and tower crane components and accessories	130,376	4,379	43,188	177,943
Rental and service income	29,287	86,841	15,632	131,760
Total revenue	159,663	91,220	58,820	309,703
Results				
Interest income	157	218	1,653	2,028
Depreciation expense	21,217	21,487	4,636	47,340
Interest expense	6,599	1,527	189	8,315
(Reversal)/Allowance for expected credit loss, net	(6,028)	(1,674)	-	(7,702)
Reportable segment profit before taxation	(3,798)	9,952	(4,004)	2,150
Additions to property, plant and equipment	18,266	(7,834)	39	10,471

4. Segment and revenue information (cont'd)

Segment results (cont'd)

	The PRC RMB'000	HongKong & Macau RMB'000	All other segments RMB'000	Total RMB'000
2H FY2023				
Sales				
Total segment sales	447,493	89,819	84,872	622,184
Inter-segment sales	(215,352)	82	(4,430)	(219,700)
Sales to external parties	232,141	89,901	80,442	402,484
Comprises:				
Sale of manufactured tower cranes and tower crane components and accessories	209,533	3,006	72,574	285,113
Rental and service income	22,608	86,895	7,868	117,371
Total revenue	232,141	89,901	80,442	402,484
Results				
Interest income	117	64	2,044	2,225
Depreciation expense	13,300	24,857	3,859	42,016
Interest expense	6,925	1,903	566	9,394
Allowance for expected credit loss, net	3,574	1,470	-	5,044
Reportable segment (loss)/profit before taxation	(753)	10,325	7,917	17,489
Additions to property, plant and equipment	680	5,966	43	6,689

	The PRC RMB'000	HongKong & Macau RMB'000	All other segments RMB'000	Total RMB'000
FY2024				
Sales				
Total segment sales	897,014	211,408	158,045	1,266,467
Inter-segment sales	(460,839)	(12,887)	(1,892)	(475,618)
Sales to external parties	436,175	198,521	156,153	790,849
Comprises:				
Sale of manufactured tower cranes and tower crane components and accessories	379,257	16,913	120,870	517,040
Rental and service income	56,918	181,608	35,283	273,809
Total revenue	436,175	198,521	156,153	790,849
Results				
Interest income	766	426	3,710	4,902
Depreciation expense	35,238	46,184	9,007	90,429
Interest expense	13,102	3,091	333	16,526
Allowance for expected credit loss, net	250	(491)	-	(241)
Reportable segment profit before taxation	9,591	33,548	16,414	59,553
Additions to property, plant and equipment	20,522	9,602	39	30,163

4. Segment and revenue information (cont'd)

Segment results (cont'd)

	The PRC RMB'000	HongKong & Macau RMB'000	All other segments RMB'000	Total RMB'000
FY2023				
Sales				
Total segment sales	991,030	181,798	253,074	1,425,902
Inter-segment sales	(504,059)	173	(6,300)	(510,186)
Sales to external parties	486,971	181,971	246,774	915,716
Comprises:				
Sale of manufactured tower cranes and tower crane components and accessories	440,261	6,664	217,313	664,238
Rental and service income	46,710	175,307	29,461	251,478
Total revenue	486,971	181,971	246,774	915,716
Results				
Interest income	572	64	2,128	2,764
Depreciation expense	28,265	47,048	7,375	82,688
Interest expense	12,857	3,516	975	17,348
Allowance for expected credit loss, net	10,601	1,470	-	12,071
Reportable segment profit before taxation	1,424	24,674	41,918	68,016
Additions to property, plant and equipment	996	9,119	62	10,177

Segment Assets and Liabilities

	The PRC RMB'000	HongKong & Macau RMB'000	All other segments RMB'000	Total RMB'000
As at 31 March 2024				
Reportable segment assets	1,398,101	275,718	338,410	2,012,229
Reportable segment liabilities	699,653	101,408	214,282	1,015,343
As at 31 March 2023				
Reportable segment assets	1,351,078	292,668	353,640	1,997,386
Reportable segment liabilities	743,417	88,270	164,270	995,957

5. Revenue

	Group (Second Half)			Group (Full Year)		
	RMB'000		%	RMB'000		%
	6 months ended 31 Mar 2024 (2H FY2024)	6 months ended 31 Mar 2023 (2H FY2023)	Increase/ (Decrease)	12 months ended 31 Mar 2024 (FY2024)	12 months ended 31 Mar 2023 (FY2023)	Increase/ (Decrease)
Types of goods or services:						
Sale of manufactured tower cranes	137,333	243,097	(43.5)	424,803	573,222	(25.9)
Sale of tower cranes components and accessories	40,610	42,016	(3.3)	92,237	91,016	1.3
Service income	24,964	36,160	(31.0)	60,949	79,308	(23.1)
Revenue from contracts within customers - At a point in time	202,907	321,273	(36.8)	577,989	743,546	(22.3)
Rental income - over time	106,796	81,211	31.5	212,860	172,170	23.6
Total revenue	309,703	402,484	(23.1)	790,849	915,716	(13.6)
Geographical information:						
The PRC	122,621	192,157	(36.2)	313,044	402,234	(22.2)
Asia (outside of the PRC)	136,652	161,134	(15.2)	313,639	399,905	(21.6)
USA & Europe	25,844	2,302	1,022.7	64,970	2,980	2,080.2
Middle East & others	24,586	46,891	(47.6)	99,196	110,597	(10.3)
Total revenue	309,703	402,484	(23.1)	790,849	915,716	(13.6)

6. Profit before tax is arrived at after charging/(crediting) the following:

	Group (Second Half)			Group (Full Year)		
	RMB'000		%	RMB'000		%
	6 months ended 31 Mar 2024 (2H FY2024)	6 months ended 31 Mar 2023 (2H FY2023)	Increase/ (Decrease)	12 months ended 31 Mar 2024 (FY2024)	12 months ended 31 Mar 2023 (FY2023)	Increase/ (Decrease)
(Reversal)/Allowance for expected credit loss, net	(7,702)	5,044	NM	(241)	12,071	NM
Amortisation of deferred capital grants	(114)	(115)	(0.9)	(228)	(229)	(0.4)
Compensation income	2,751	79	3,382.3	2,751	246	1,018.3
Depreciation of property, plant and equipment	47,340	42,016	12.7	90,429	82,688	9.4
Exchange gain	(57)	(668)	(91.5)	(5,156)	(14,597)	(64.7)
Gain on disposal of property, plant and equipment, net	(7)	(812)	(99.1)	(115)	(812)	(85.8)
Government grant	(199)	(4,148)	(95.2)	(649)	(7,603)	(91.5)
Interest expense	8,315	9,394	(11.5)	16,526	17,348	(4.7)
Interest income	(2,028)	(2,225)	(8.9)	(4,902)	(2,764)	77.4
Operating lease rentals	5,459	3,823	42.8	9,191	7,468	23.1
Property, plant and equipment written off	1,554	34	4,470.6	1,554	1,784	(12.9)
Provision/(Reversal of provision) for slow-moving inventories, net	1,514	(4,032)	NM	3,766	(2,070)	NM
Sub-contractor costs and costs of rental of tower cranes	79,271	66,997	18.3	153,270	137,363	11.6

7. Taxation

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

	Group (Second Half)			Group (Full Year)		
	RMB'000		%	RMB'000		%
	6 months ended 31 Mar 2024 (2H FY2024)	6 months ended 31 Mar 2023 (2H FY2023)	Increase/ (Decrease)	12 months ended 31 Mar 2024 (FY2024)	12 months ended 31 Mar 2023 (FY2023)	Increase/ (Decrease)
Current income tax	1,369	(2,098)	NM	9,017	5,089	77.2
Deferred income tax	(1,922)	2,760	NM	210	4,240	(95.0)
	(553)	662	NM	9,227	9,329	(1.1)
Under provision in respect of prior year						
- Current taxation	(1,402)	(31)	4,422.6	(1,402)	(31)	4,422.6
- Deferred tax	(1,774)	(315)	463.2	(1,774)	(315)	463.2
	(3,176)	(346)	818.0	(3,176)	(346)	818.0
	(3,729)	316	NM	6,051	8,983	(32.6)

8. Earnings per share

Basic earnings per share is calculated based on:

	Group (Second Half)		Group (Full Year)	
	RMB'000		RMB'000	
	6 months ended 31 Mar 2024 (2H FY2024)	6 months ended 31 Mar 2023 (2H FY2023)	12 months ended 31 Mar 2024 (FY2024)	12 months ended 31 Mar 2023 (FY2023)
Earnings of the Group, after deducting any provision for preference dividends (in RMB'000):	2,825	12,971	42,971	51,306
Weighted average no. of shares used in computation of basic earning per shares	88,749,997	88,749,997	88,749,997	88,749,997
Earnings per share (in cents RMB)				
(a) Based on weighted average number of ordinary shares on issue	3.18	14.62	48.42	57.81
(b) On a fully diluted basis	3.18	14.62	48.42	57.81

The basic and diluted earnings per ordinary share of the Group is computed based on the Group's profit after taxation attributable to equity holders of the Company on the existing number of ordinary shares in issue of 88,749,997 at the end of the reporting periods.

There is no difference between the basic and diluted earnings per share.

9. Net Asset Value

	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
Net asset value per ordinary share (RMB)	10.45	10.27	5.55	5.45

Net asset value per share for the Group and the Company for 31 March 2024 and 31 March 2023 has been computed based on shareholders' equity as at the respective dates and the number of shares of 88,749,997 ordinary shares.

10. Property, plant and equipment

During the full year ended 31 March 2024, the Group acquired assets amounting to RMB30.2 million (31 March 2023: RMB10.2 million) from third parties and self-constructed tower cranes and tower crane components and accessories held for rental purposes of RMB226.9 million (31 March 2023: RMB135.2 million).

The Group have disposed of assets including leased tower cranes amounting to RMB41.5 million (31 March 2023: RMB38.6 million).

11. Investment in an associate

	Group	
	31 Mar 2024	31 Mar 2023
Balance as at beginning of year	196	834
Share of results and reserve for the year	(36)	(638)
Transfer to subsidiary arising from acquisition of interest in associate	(160)	-
Carrying value of interest in associates	-	196

The Group's wholly owned subsidiary, Fushun Yongmao Construction Machinery Co., Ltd ("Fushun Yongmao"), owns 31% share interest of the joint venture Company, Liaoning Xingmao Heavy Industry Co., Ltd (辽宁兴茂重工有限公司).

Fushun Yongmao had acquired 69% interest in Liaoning Xingmao at a consideration of RMB269,000 during the financial year. The consideration was arrived at on a willing-buyer and willing-seller basis and was paid in cash upon completion of the transaction which was simultaneous with the signing of the Share Sale Agreement on 6 December 2023.

Following the acquisition, Liaoning Xingmao became a wholly-owned subsidiary of Fushun Yongmao.

12. Financial assets, at FVOCI

	Group & Company	
	31 Mar	31 Mar
	2024	2023
	RMB'000	RMB'000
The Company and The Group		
Unquoted equity of investments		
Balance as at beginning of year	110,442	86,093
Fair value gain recognised in other comprehensive income, net of nil tax	(27,017)	24,349
Balance as at end of year	<u>83,425</u>	<u>110,442</u>

The financial asset pertains to an investment of 11.6% equity interest in Tat Hong Equipment (China) Pte Ltd ("THEC"). The Group has elected to measure this equity security at FVOCI due to the Group's intention to hold this equity instrument for long-term appreciation as part of the Group's business model.

THEC has direct and indirect ownership interest in Tat Hong Equipment Service Co Ltd.(a HKEX listed company).

13. Trade and other receivables

	Group		Company	
	31 Mar	31 Mar	31 Mar	31 Mar
	2024	2023	2024	2023
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Trade receivables	516,928	528,301	-	-
Credit loss allowance for trade receivables				
Balance at beginning of period/year	(41,553)	(29,321)	-	-
Allowance for the period	(15,842)	(21,349)	-	-
Allowance no longer required for the period/year	16,083	9,278	-	-
Exchange translation	(217)	(161)	-	-
Balance at end of the period/year	<u>(41,529)</u>	<u>(41,553)</u>	-	-
Net trade receivables	475,399	486,748	-	-
Bills receivables	13,881	23,005	-	-
GST or VAT receivables	8,632	1,053	-	-
Staff advances	2,726	3,961	-	-
Advances made to suppliers of raw materials	75,464	71,518	-	-
Accrued interest income	56	71	-	-
Down-payment for property, plant and equipment	119	149	-	-
Refundable deposits	2,391	2,211	76	74
Deferred expenses	2,325	-	-	-
Prepayment	6,348	7,198	157	202
Tax recoverable	1,204	2,174	-	-
Other tax receivables	774	723	-	-
Other receivables	4,807	4,916	-	-
	<u>594,126</u>	<u>603,727</u>	<u>233</u>	<u>276</u>

Trade receivables are non-interest bearing and generally have credit terms of 30 to 180 days (2023 - 30 to 180 days), excluding the retention money withheld.

13. Trade and other receivables (cont'd)

As at the end of the reporting period, ageing analysis of trade and other receivables that are categorised as follows:

	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Current	145,169	172,829	76	74
Past due 0 to 3 months	117,908	138,304	-	-
Past due 3 to 6 months	47,105	55,204	-	-
Past due over 6 months	189,074	154,572	-	-
	<u>499,256</u>	<u>520,909</u>	<u>76</u>	<u>74</u>

Trade receivables include retention money of RMB35,721,000 (2023 – RMB36,596,000) that are considered current and not past due.

The bills receivable from third parties which are interest-free mature as follows:

	31 March 2024	31 March 2023
The Group		
The earliest date	18 April 2024	3 May 2023
The latest date	4 February 2025	17 December 2024

14. Cash and cash equivalents

	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Cash on hand	54	122	-	-
Bank balances	95,323	132,237	2,949	6,071
Fixed deposit	79,200	117,436	-	-
	<u>174,577</u>	<u>249,795</u>	<u>2,949</u>	<u>6,071</u>
Restricted bank balances	(10,000)	(34,228)	-	-
Cash and cash equivalents per consolidated statement of cash flows	<u>164,577</u>	<u>215,567</u>	<u>2,949</u>	<u>6,071</u>

Restricted cash balances are pledged in relations to bank loans, bills payables, seller undertaking and letter of guarantee.

15. Share capitalThe Company and the Group

	31 March 2024	31 March 2023
Total number of issued shares (excluding treasury shares)	88,749,997	88,749,997

There was no change in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose during the full year ended 31 March 2024.

There was no outstanding convertible, treasury share or subsidiary holdings as at 31 March 2024

There was no sale, transfer, disposal, cancellation and/or use of treasury shares/subsidiary holdings during the full year ended 31 March 2024.

16. Borrowings

	Group	
	31 Mar 2024	31 Mar 2023
	RMB'000	RMB'000
<u>Amount repayable after one year</u>		
Hire purchase with financial institution - secured	2,332	1,677
Lease liabilities - secured	72	168
Lease liabilities - unsecured	587	1,411
	659	1,579
	2,991	3,256
<u>Amount payable in one year or less, or on demand</u>		
Bank loans - secured	20,000	73,000
Bank loans - unsecured	229,081	210,731
	249,081	283,731
Hire purchase with financial institution - secured	41,855	48,958
Lease liabilities - secured	407	692
Lease liabilities - unsecured	364	4,757
	771	5,449
	291,707	338,138

Bank loans of the Group are secured by way of certain bank deposits of RMB10.0 million and property, plant and equipment of RMB85.4 million.

Unsecured bank loans facilities are guaranteed by the Company, a fellow subsidiary and certain directors of the Company.

17. Trade and other payables

	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	219,020	271,210	-	-
Bills payables	18,052	23,860	-	-
Accruals for purchases	106,921	94,061	-	-
Advances from customers	142,144	81,608	-	-
Refund liabilities	67,262	41,309	-	-
Amount owing to suppliers of property, plant and equipment	96	96	-	-
Provision for assurance warranty	2,455	4,167	-	-
Accrued directors' fee	1,010	1,251	1,010	1,251
Deposit received	7,661	11,054	-	-
Rental payable to directors of the Company	395	1,785	-	-
Liability assumed for payments made on behalf for subsistence allowance	11,286	12,691	-	-
Accrued interest expenses	946	420	-	-
Other accruals expenses	77,182	70,428	2,656	3,570
Other payables	12,479	17,185	205	251
	666,909	631,125	3,871	5,072
Less: Trade and other payables				
- Non current	(9,937)	(11,123)	-	-
	656,972	620,002	3,871	5,072

17. Trade and other payables (cont'd)

Bills payable mature within 1 month from period/year-end. As at 31 March 2024, bills payable are secured by bank deposits of RMB Nil (31 Mar 2023 – RMB7,920,000).

The accrual for purchases relates to purchase orders placed and goods were received but suppliers' invoices not yet been received.

The advances from customers represent deposits for sales orders made for the delivery of equipment when ready.

Liability assumed for payments made on behalf for subsistence allowances relates to ex-employees of 北京市建筑工程机械厂, a wholly-owned subsidiary of Beijing Construction which is not related to the Group. This liability is regarded as payment on behalf. Pursuant to a restructuring exercise signed between Fushun Yongmao Industry Group Co., Ltd. ("FYIG") and Beijing Construction in 2006, this was transferred to Beijing Yongmao, whereby Beijing Yongmao is to administer the liability by virtue of the liability from FYIG, the payment of subsistence allowances/staff welfare benefits is to be made out of the assets acquired from Beijing Construction. Beijing Yongmao is incorporated in the PRC in 2006 pursuant to the restructuring exercise and whose shareholders were then FYIG (66%) and Beijing Construction (34%). In 2008, the Group through its wholly-owned subsidiary, Fushun Yongmao acquired 66% of the equity interests in Beijing Yongmao from FYIG (the "Acquisition"). This liability is assumed when Fushun Yongmao took over from FYIG pursuant to the sale and purchase agreement dated 18 August 2008 ("S&P Agreement") entered into between FYIG and Fushun Yongmao. As the liability assumed for the subsistence allowances had crystallised at the time the Group took over Beijing Yongmao, the liability to Beijing Yongmao is deemed fixed at the point of acquisition. The liability provided was based on agreed figures ("the fair value at inception") in the S&P Agreement with FYIG at the time the Group took over Beijing Yongmao from FYIG. By virtue of the warranty from FYIG to the Group pursuant to the Acquisition, the Group is only responsible for this payment to be made on behalf for subsistence allowances as stated therein.

Provision for assurance warranty relates to the estimated costs of after-sale services and warranty costs for sale of tower cranes and tower crane components and accessories to the Group's customers. The warranty sum is recognized at the end of the reporting period for expected warranty claims based on past experiences of the level of repairs and returns, and probability and amounts of claims.

Other accrued expenses mainly relate to accruals of salaries and related costs and freight and transportation charges.

Except from the rental payable to a director of the Company as disclosed in the table above, none of the counter parties are related parties.

18. Fair value of assets and liabilities

Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statements of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 : unobservable inputs for the asset or liability.

The Company and The Group	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
At 31 March 2024				
Assets				
Financial assets – FVOCI	-	-	83,425	83,425
At 31 March 2023				
Assets				
Financial assets – FVOCI	-	-	110,442	110,442

18. Fair value of assets and liabilities (cont'd)

Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Group		Company	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets, at FVOCI	83,425	110,442	83,425	110,442
Financial assets, at fair value	83,425	110,442	83,425	110,442
Trade and other receivables ¹	499,256	520,909	76	74
Amount owing by subsidiaries	-	-	65,521	27,276
Amount owing by related parties	47,051	46,765	-	-
Cash and cash equivalents	174,577	249,795	2,949	6,071
Financial assets, at amortised costs	720,884	817,469	68,546	33,421
Trade and other payables ²	521,586	505,196	3,871	5,072
Borrowings	294,698	341,394	-	-
Amount owing to/advances from related parties	18,018	12,651	-	-
Amount owing to a corporate shareholder of a subsidiary of a subsidiary	26,862	1,703	-	-
Financial liabilities, at amortised costs	861,164	860,944	3,871	5,072

¹ Excludes advances/down payments made to vendors, prepaid expenses and tax recoverable.

² Excludes deposit from customers and provision for assurance warranty

19. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

Other Information Required by Listing Rule Appendix 7.2

1. Review of the condensed financial statements

1.1 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The condensed consolidated statement of financial position of the Company and its subsidiaries as at 31 March 2024 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 2H FY2024 and full year of FY2024 and certain explanatory notes have not been audited or reviewed.

Certain comparative figures reported in 1H FY2024 have been reclassified to conform with 2H FY2024's presentation:

Condensed interim consolidated statement of profit or loss and other comprehensive income for the first half year ended 30 September 2023.

	Group		
	30-Sep-23		
	As reported RMB'000	Reclassifi- cation RMB'000	As restated RMB'000
Revenue	479,453	1,693	481,146
Other income	5,850	(1,693)	4,157

1.2 Where the figures have been audited or reviewed, the auditors' report (including any modification or emphasis of a matter).

Not applicable.

1.3 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.

Not applicable.

(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.

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

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF INCOME STATEMENT OF THE GROUP

Second-Half FY2024 ("2H FY2024") vs Second-Half FY2023 ("2H FY2023")

Group revenue decreased by 23.1% to RMB309.7 million in 2H FY2024 as compared to RMB402.5 million in 2H FY2023.

The decrease is mainly due to lower revenue from sales of tower cranes and components of RMB107.2 million from RMB285.1 million in 2H FY2023 to RMB177.9 million in 2H FY2024. The decrease was offset by higher rental and service income by RMB14.4 million to RMB131.8 million in 2H FY2024 from RMB117.4 million in 2H FY2023.

Revenue in the PRC reduced by RMB69.5 million to RMB122.6 million in 2H FY2024. The decrease in the PRC is driven by the sluggish domestic economy stemming from an ongoing property market slowdown and weak global demand for manufactured goods. Revenue

from Asia (outside of the PRC) has also dropped by RMB24.5 million to RMB136.7 million in 2H FY2024 from RMB161.2 million in 2H FY2023 as delivery of tower cranes has slowed in Singapore attributed to a maturing market, where demand for new units of large and mega size tower cranes has tapered off. Revenue from the Middle East & others has also dropped by RMB22.3 million to RMB24.6 million in 2H FY2024. The decrease was offset by higher revenue in USA & Europe of RMB23.5 million.

Overall, sales in Asia (outside the PRC) and the PRC contributed to 44.1% (2H FY2023: 40.0%) and 39.6% (2H FY2023: 47.7%) respectively of the Group revenue in 2H FY2024.

Gross profit and gross profit margin

In line with lower revenue, gross profit decreased by 24.4% to RMB80.2 million in 2H FY2024 from RMB106.0 million in 2H FY2023.

Average gross profit margin slightly decreased to 25.9% in 2H FY2024 from 26.3% in 2H FY2023.

The decline in gross profit margin results from reduced selling prices and lower margins in the rental sector.

Other income

Other income decreased by RMB2.5 million to RMB6.8 million in 2H FY2024 as compared to RMB9.3 million in 2H FY2023. The decrease is mainly due to non-recurrence of certain government subsidies and rebates of RMB4.0 million. Government subsidies and rebates received in 2H FY2023 pertains to grants from various authorities, as part of the financial assistance to help businesses tide through the pandemic in Hongkong. The decrease was partly offset by higher compensation income of RMB2.6 million in 2H FY2024. The compensation income of RMB2.8 million received in 2H FY2024 pertains to payments from the Hongkong authority for the partial relocation of the Hongkong yard office.

Operating expenses

Total operating expenses decreased 13.3% to RMB84.8 million in 2H FY2024 as compared to RMB97.9 million in 2H FY2023.

Distribution costs increased 19.5% to RMB48.9 million in 2H FY2024 as compared to RMB40.9 million in 2H FY2023 mainly arose from higher employee cost, higher product liability insurance incurred in the PRC and higher rental of yard incurred in Hongkong. The increase in employee cost is due to payment of last year bonus previously not accrued for in 2H FY2024. The increase was partially offset by lower freight and transportation charges.

Administrative expenses decreased by 23.4% to RMB34.1 million in 2H FY2024 as compared to RMB43.2 million in 2H FY2023. The decrease is mainly due to lower employee costs, attributed to lower provision for bonuses.

Other operating expenses reported a credit balance of RMB5.3 million in 2H FY2024 as compared to a debit balance of RMB4.3 million in 2H FY2023. The difference was mainly due to reversal of provision for doubtful debts of RMB7.7 million in 2H FY2024 as compared to provision for doubtful debts of RMB5.0 million.

Finance costs decreased by 11.5% to RMB8.3 million in 2H FY2024 as compared to RMB9.4 million in 2H FY2023 due to lower average borrowings.

Taxation

Income tax expense reported a credit balance of RMB3.7 million in 2H FY2024. The tax credit expense was mainly due to recognition of unabsorbed tax losses previously not recognised in one of the PRC subsidiaries.

Other comprehensive (expenses)/income

The Group reported other comprehensive expense of RMB17.8 million in 2H FY2024 as compared to other comprehensive income of RMB17.5 million in 2H FY2023. The difference mainly pertains to the fair value loss on financial assets, FVOCI of RMB14.7 million in 2H FY2024 as compared to a fair value gain of RMB21.7 million in 2H FY2023.

Other comprehensive (expenses)/income also include loss on exchange translation arose from translation of the net assets of our Hong Kong and Singapore subsidiaries.

HKD depreciated 1.7% and SGD appreciated 0.1% respectively against RMB as at 31 March 2024 as compared to the previous period under review.

Profit before taxation and net profit attributable to equity holders of the Company

As a result of the above, the Group recorded a profit before taxation of RM2.2 million in 2H FY2024 as compared RMB17.5 million in 2H FY2023.

Net profit attributable to equity holders of the Company amounts to RMB2.8 million in 2H FY2024 decreased from RMB13.0 million in 2H FY2023.

Full Year FY2024 (“FY2024”) vs Full Year FY2023 (“FY2023”)

Revenue

Group revenue decreased by 13.6% to RMB790.8 million in FY2024 as compared to RMB915.7 million in FY2023.

The decrease is mainly due to lower revenue from sales of tower cranes and components of RMB147.2 million from RMB664.2 million in FY2023 to RMB517.0 million in FY2024. The decrease was offset by higher rental and service income by RMB22.3 million to RMB273.8 million in FY2024 from RMB251.5 million in FY2023.

Revenue in the PRC also reduced by RMB89.2 million to RMB313.0 million in FY2024 driven by the sluggish domestic economy stemming from an ongoing property market slowdown and weak global demand for manufactured goods. Revenue from Asia (outside of the PRC) has also dropped significantly by RMB86.3 million from RMB399.9 in FY2023 to RMB313.6 million in FY2024 as delivery of tower cranes has slowed in Singapore attributed to a maturing market, where demand for new units of large and mega size tower cranes has tapered off. Sales in the Middle East & others dropped by RMB11.4 million. The decrease was offset by higher revenue in USA & Europe of RMB62.0 million.

Overall, sales in the PRC and Asia (outside the PRC) contributed to 39.6% (FY2023: 43.9%) and 39.7% (FY2023: 43.7%) respectively of the Group revenue in FY2024. The USA & Europe increased from 0.4% to 8.2%.

Gross profit and gross profit margin

Although revenue dropped by 13.6%, gross profit decreased by 9.9% to RMB228.9 million in FY2024 from RMB254.0 million in FY2023 due to higher average gross profit margin in FY2024.

Average gross profit margin increased to 28.9% in FY2024 from 27.7% in FY2023.

The higher gross profit margin in FY2024 is due to higher sales proportion of luffing tower cranes as well as higher proportion of rental income in FY2024 which generate higher sales margin. The low gross profit margin in FY2023 is also due to loss of disposal of tower cranes previously held as rental cranes for the amount approximately to RMB6.6 million arising from exercising of option to purchase under rental agreement in the PRC.

Other income

Other income decreased by RMB4.9 million to RMB11.0 million in FY2024 as compared to RMB15.9 million in FY2023. The decrease is mainly due to non-recurrence of certain government subsidies and rebates of RMB7.0 million, debts no longer required to pay of RMB0.8 million and insurance compensation of RMB0.3 million. Government subsidies and rebates received in FY2023 pertains to grants from various authorities, as part of the financial assistance to help businesses tide through the pandemic. The decrease was partly offset by higher interest income of RMB2.1 million and higher compensation income of RMB2.6 million. The compensation income of RMB2.8 million received in 2H FY2024 pertains to payments from the Hongkong authority for the partial relocation of the Hongkong yard office.

Operating expenses

Total operating expenses decreased 10.7% to RMB180.3 million in FY2024 as compared to RMB201.9 million in FY2023.

Distribution costs decreased 7.9% to RMB90.1 million in FY2024 as compared to RMB97.9 million in FY2023. The reduction primarily from reduced freight and transportation costs, as the supply has returned to its normalcy after the abrupt surge during the pandemic. The decrease was partly offset by higher employee expenses due to payment of last year bonus previously not accrued for in FY2024, higher product liability insurance incurred in the PRC and higher rental of yard incurred in Hongkong.

Administrative expenses decreased 10.8% to RMB75.8 million in FY2024 as compared to RMB85.0 million in FY2023 mainly due to lower employee expenses as lower bonuses provision. The decrease is partly offset by higher legal fee and transportation expenses.

Other operating expenses reported at credit balance of RMB2.0 million in FY2024 as compared to a debit balance of RMB1.1 million in FY2023. The difference was mainly due to an exchange gain of RMB5.2 million in FY2024 as compared to RMB14.6 million in FY2023. In addition, a reversal of provision for expected credit loss (“ECL”) of RMB0.3 million was made in FY2024 whilst provision for ECL of RMB12.1 million was made in FY2023.

The exchange gain for FY2024 arose mainly from the strengthening of Singapore Dollars (“SGD”) and Hong Kong Dollars (“HKD”) against Renminbi (“RMB”) due to net RMB liabilities in the Singapore subsidiary’s book and Hong Kong subsidiary’s book; and the strengthening of USD against RMB and SGD due to net USD assets in the PRC’s and Singapore’s subsidiary’s book.

Finance costs decreased by 4.7% to RMB16.5 million in FY2024 as compared to RMB17.3 million in FY2023 due to lower average borrowings.

Taxation

Income tax expense decreased to RMB6.1 million in FY2024 as compared to RMB9.0 million in FY2023 in line with lower profits for the financial year under review.

Other comprehensive (expense)/income

The Group reported other comprehensive expense of RMB12.9 million in FY2024 as compared to other comprehensive income of RMB43.3 million in FY2023. The difference was mainly due to a fair value loss of RMB27.0 million in financial assets, FVOCI in FY2024 and compared to a fair value gain of RMB24.3 million in FY2023.

Other comprehensive (expense)/income also include gain on exchange translation of RMB14.1 million in FY2024 (FY2023: RMB19.0 million) arose from translation of the net assets of our Hong Kong and Singapore subsidiaries.

HKD and SGD appreciated 5.7% and 3.7% respectively against RMB as at 31 March 2024 as compared to last financial year end.

Profit before taxation and Net profit attributable to equity holders of the Company

As a result of the above, the Group recorded a profit before taxation of RMB59.6 million in FY2024 as compared to RMB68.0 million in FY2023.

Net profit attributable to equity holders of the Company decreased to RMB43.0 million in FY2024 from RMB51.3 million in FY2023.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current assets increased by RMB121.3 million to RMB838.9 million as at 31 March 2024 mainly due to higher property, plant and equipment, partly offset by lower financial assets, at FVOCI.

The increase of RMB140.6 million in the Group's net carrying amount of property, plant and equipment was mainly attributable to the increase in rental fleets and exchange translation differences from Yongmao Hong Kong as HKD appreciated significantly by 5.7% against RMB as compared to last financial year end. The increase is partly offset by net depreciation charges and disposals.

Deferred tax assets arose mainly from provisions and elimination of unrealised profits in intragroup sales and the various provisions made.

Financial assets, at FVOCI recorded fair value loss of RMB27.0 million as at 31 March 2024.

Current Assets

Current assets decreased by RMB92.1 million to RMB1,224.5 million as at 31 March 2024 mainly due to by lower cash and cash equivalents (see Note on Review on Cash Flow Statement below), lower trade and other receivables and lower inventory, partly offset by higher amount owing by related parties.

Trade and other receivables decreased by RMB9.6 million to RMB594.1 million as at 31 March 2024. Lower trade receivables is due to lower sales.

Inventories decreased by RMB7.6 million to RMB408.7 million as at 31 March 2024 as compared to RMB416.3 million as at 31 March 2023. This lower inventory is mainly due to transfer of inventory to property, plant and equipment for additional rental fleet of tower cranes.

Amount owing by related parties marginally increased by RMB0.3 million to RMB47.1 million as at 31 March 2024 due to higher sales over repayment to related parties.

Non-current Liabilities

Non-current liabilities increased to RMB74.8 million as at 31 March 2024 from RMB70.2 million as at 31 March 2023. The increase was due to higher deferred tax liabilities by RMB6.3 million to RMB53.2 million, partly offset by lower trade and other payables of RMB1.2 million to RMB9.9 million as at 31 March 2024.

Deferred tax provision was mainly made for withholding tax levied on dividends of undistributed earnings of PRC subsidiaries, accelerated tax depreciation on inter-company sales of tower cranes used as rental fleet.

Current Liabilities

Current liabilities increased by RMB26.3 million to RMB1,002.2 million as at 31 March 2024 as compared to RMB975.9 million as at 31 March 2023 mainly due to higher trade and other payables and amount owing to a corporate shareholder of a subsidiary. Partly offset by lower borrowings.

Trade and other payables increased by RMB37.0 million mainly due to collection of advances and deposits from customers.

Borrowings decreased by RMB46.4 million mainly due to net loan repayment.

Total Equity

As at 31 March 2024, the Group's total equity amounted to RMB986.4 million. The increase was mainly due to total comprehensive income of RMB40.6 million for 9M FY2024, partly offset by dividends paid in FY2024.

REVIEW OF CASH FLOW STATEMENT

2H FY2024 vs 2H FY2023

The Group reported a net decrease in cash and cash equivalents amounting to RMB1.4 million in 2H FY2024 mainly due to:

- a) Net cash from operating activities of RMB1.8 million resulted from operating profit before working capital changes, increase in operating payables and decrease in operating receivables, partly offset by increase in inventories and taxes paid.
- b) Net cash used in investing activities of RMB8.6 million from acquisition of property, plant and equipment, partly offset by interested received; and
- c) Net cash generated from financing activities of RMB5.4 million mainly from higher net proceed from borrowings, loan from shareholders of a subsidiary and repayment from a related party, partly offset by dividend paid to non-controlling shareholders, repayment of principal portion of lease liabilities and interest paid.

Full Year FY2024 vs Full Year FY2023

The Group reported a net decrease in cash and cash equivalents amounting to RMB58.5 million in FY2024 mainly due to:

- a) Net cash generated from operating activities of RMB5.0 million resulted from operating profit before working capital changes increase in operating payables and decrease in operating receivables, offset by increase in inventories and interest and taxes paid.
- b) Net cash used in investing activities of RMB24.8 million from acquisition of property, plant and equipment, partly offset by interested received; and
- c) Net cash used in financing activities of RMB38.7 million mainly from net repayment of bank borrowings, net repayment of principal portion of lease liabilities, and dividend paid to non-controlling shareholders and shareholders, partly offset by lower restricted bank balances, loan from shareholders of a subsidiary and repayment from a related party.

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

The Group's result was in line with the announcement released on SGX-ST on 21 May 2024.

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 reporting period and the next 12 months.

China's gross domestic product expanded by 5.3% in the first quarter compared to the previous year, as reported by the National Bureau of Statistics. This provided some reassurance to officials amidst efforts to bolster growth amid prolonged challenges in the property sector and increasing local government debt. However, various indicators released alongside the GDP data for March, such as property investment, retail sales, and industrial output, indicated that domestic demand continues to be weak, exerting pressure on overall economic momentum.

The International Monetary Fund stated that the forecast for Asia and the Pacific in 2024 has improved. It is anticipated that the region's economic slowdown will be less pronounced than previously expected, as inflationary pressures continue to ease although China's property market correction and geoeconomic fragmentation remain key risks. Global disinflation and the potential for lower central bank interest rates have made a soft landing more likely, hence risks to the near-term outlook are now broadly balanced.

Currently, global trade is experiencing a shortage of ocean containers, leading to a substantial rise of around 30% in freight rates in recent weeks, with expectations of further increases. The increase in shipping costs has been attributed to a variety of factors, including geopolitical tensions in Middle East, adverse weather conditions in Asia, supply chain disruption and rising fuel prices.

The Group expects the operating environment to be challenging and the reasons as stated above. The Group remains vigilant and committed to exercising cost discipline and will take necessary remedial actions, where possible.

As announced by the Company on 8 September 2023, 13 March 2024, 22 March 2024, 3 April 2024 and 2 May 2024 the Company's 60% owned subsidiary, Yongmao Machinery (H.K.) Company Limited ("YMHK") and YMHK's 100% wholly-owned subsidiary, Eastime Engineering Limited ("EEL"), have been served with summonses to appear before the magistrate of Magistrate Court of Hong Kong on 30 June 2024 to answer to various alleged offences under, inter alia, (i) the Factories and Industrial Undertakings Ordinance, Cap. 59, Law of Hong Kong and (ii) the Occupational Safety and Health Ordinance, Cap. 509. Pending the appearances to be made by YMHK and EEL before the magistrate on 30 June 2024 and on the basis of the information available to us at the moment, there have been no material developments in relation to the tower cranes accident in Hong Kong. The Company will provide further updates as and when there are any material developments.

There is no significant development in respect to the Writ of Summons and Statement of Claim filed by CMNT Investment Pty Ltd, an Australian company since the last announcement dated 15 September 2023. Mediation is scheduled to be carried in June 2024. The Company will provide further updates as and when there are any material developments.

5. Dividend

5.1 If a decision regarding dividend has been made

(a) Whether an interim (final) ordinary dividend had been declared (recommended); and

Yes

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

The Board of Directors is proposing a first and final cash dividend of S\$0.01 per ordinary share for approval by shareholders at the forthcoming Annual General Meeting to be convened.

(ii) Previously correspondence period (cents)

The Board of Directors have proposed a first and final cash dividend of S\$0.01 per ordinary share and a special dividend of S\$0.01 per ordinary share which were subsequently approved at the Annual General Meeting held on 28 July 2023.

(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).

The dividends are tax exempt one-tier.

(d) The date the dividend is payable

To be advised at a later date.

(e) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.

To be advised at a later date.

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

Not applicable.

6. If the Group has obtained a general mandate from the shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) 12 months ended 31 Mar 2024 (FY2024) RMB'000	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) 12 months ended 31 Mar 2024 (FY2024) RMB'000
Sales to interested persons		
China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd. (中核华兴达丰机械租赁有限公司)	-	8,836
Jiangsu Hengxingmao Financial Leasing Co., Ltd. (江苏恒兴茂融资租赁有限公司)	-	3,136
Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd. (江苏中建达丰机械租赁有限公司)	-	8,475
Liaoning Yongmao Hydraulic Machinery Co., Ltd (辽宁永茂液压机械有限公司)	1,116	-
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	5,641	-
Purchases from related parties		
Fushun Yongmao Industry and Trade Co., Ltd (抚顺市永茂工贸发展有限公司)	-	731
Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd. (江苏中建达丰机械租赁有限公司)	3,240	-
Purchase of property, plant and equipment from a related party		
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	1,733	-
Rental charged by related party		
Fushun Yongmao Engineering Machinery Co., Ltd. (抚顺永茂工程机械有限公司)	5,505	-
Rental charged by ultimate holding company		
Sun & Tian Investment Pte. Ltd.	704	-
Rental charged by a director		
	809	-
Other expenses charged by related parties		
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	678	-

7 Disclosure pursuant to Rule 706A of the Listing Manual

Pursuant to Rule 706A of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company wishes to announce the following changes to its group of companies:

a) Incorporation of new subsidiaries

i. Suncrane Machinery (H.K.) Company Ltd ("**Suncrane HK**")

Suncrane HK, a 60% owned subsidiary of Suncrane Machinery Pte Ltd (a wholly owned subsidiary of the Company) was incorporated in Hong Kong, People's Republic of China with a paid-up share capital of HKD20,000,000. The other 40% interests in Suncrane HK was held by Eastime Holdings Limited, a party not related to the Company.

ii. Suncrane Machinery Equipment Engineering Ltd ("**Suncrane MEE**")

Suncrane MEE, a wholly owned subsidiary of Suncrane HK was incorporated in Hong Kong, People's Republic of China with a paid-up share capital of HKD1,000,000.

The principal activities of both subsidiaries are mainly trading of used cranes and rental and servicing of mega and large size tower cranes, construction machinery and related components.

b) Acquisition of interest in an associate, Liaoning Xingmao Heavy Industry Co., Ltd ("**Liaoning Xingmao**")

Fushun Yongmao Construction Machinery Co., Ltd. ("**Fushun Yongmao**"), a wholly owned subsidiary of the Company, had acquired 69% interests in Liaoning Xingmao at a consideration of RMB538,000. The consideration was arrived at on a willing-buyer and willing-seller basis and was paid in cash upon completion of the transaction which was simultaneous with the signing of the Share Sale Agreement on 6 December 2023.

Fushun Yongmao held 31% interests in Liaoning Xingmao prior to the acquisition. Following the acquisition, Liaoning Xingmao became a wholly owned subsidiary of Fushun Yongmao.

c) Increase paid-up share capital of a subsidiary, Eastime Engineering Limited ("**EEL**")

EEL, a wholly owned subsidiary of Yongmao Machinery (H.K.) Company Limited (a 60% owned subsidiary of the Company), had increased its paid-up share capital from HKD10,000 to HKD1,000,000.

The above transactions are funded through internal resources and are not expected to have a material effect on the consolidated earnings per share or net tangible assets per share of the Group for the financial year ended 31 March 2024.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transactions.

8. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Sun Zhao Lin	68	Father of Sun Tian and spouse of Tian Ruo Nan	Executive Chairman, 2005 Responsible for the formulation and execution of overall business strategy and policies and future direction as well as the overall management of the Group.	N.A.
Tian Ruo Nan	68	Spouse of Sun Zhao Lin and mother of Sun Tian	Chief Executive Officer, 2007 Responsible for and oversees the day-to-day management of the Group.	N.A.
Sun Tian	42	Son of Sun Zhao Lin and Tian Ruo Nan	Executive Director, 2009 Group General Manager, 2012 Assist the Chief Executive Officer in the management of Group's business.	N.A.
Tian Cheng Tian	66	Brother-in-law of Sun Zhao Lin and brother of Tian Ruo Nan	Product Design & Quality Control Engineer, 2022	N.A.
Tian Hao	43	Nephew of Sun Zhao Lin and Tian Ruo Nan	Sales Manager of Beijing Yongmao, 2006 Responsible for the sales and marketing operations of Beijing Yongmao.	N.A.

9. **Confirmation that the issuer has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Tian Ruo Nan
Chief Executive Officer
29 May 2024