



**KING WAN CORPORATION LIMITED**

Incorporated in Singapore (Company Registration No. 200001034R)

**Fourth Quarter & Full Year Results – Financial Statement And Related Announcement**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

**KING WAN CORPORATION LIMITED  
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FINANCIAL YEAR ENDED 31 MARCH 2021**

	Note	GROUP FOURTH QUARTER ENDED 31 MARCH			GROUP FULL YEAR ENDED 31 MARCH		
		2021 S\$	2020 S\$	Increase/ (Decrease)	2021 S\$	2020 S\$	Increase/ (Decrease)
<b>Revenue</b>	<b>1</b>	23,782,264	23,799,541	0%	45,905,590	72,398,008	-37%
<b>Cost of sales</b>		(22,291,154)	(19,354,469)	15%	(42,890,848)	(63,120,995)	-32%
<b>Gross profit</b>	<b>2</b>	1,491,110	4,445,072	-66%	3,014,742	9,277,013	-68%
<b>Other operating income</b>							
Dividend income		-	-	n.m	132	139	-5%
Net foreign exchange (loss) gain		(45,599)	3,938	-1258%	-	3,938	n.m
Gain on disposal of property, plant and equipment	<b>3</b>	5,458	509	972%	154,661	24,879	522%
Change in fair value of insurance contract		-	14,383	-100%	-	18,489	-100%
Interest income	<b>4</b>	233,560	247,051	-5%	920,028	973,641	-6%
Management fee income		26,959	27,307	-1%	109,277	109,244	0%
Rental income	<b>5</b>	(14,901)	143,347	-110%	256,450	595,466	-57%
Fee income from financial guarantee to associates and joint venture	<b>6</b>	28,932	45,285	-36%	115,725	181,141	-36%
Grant income		53,956	166,103	-68%	134,195	166,103	n.m
Sundry income	<b>7</b>	(11,747)	74,625	-116%	181,803	123,441	47%
		276,618	722,548	-62%	1,872,271	2,196,481	-15%
<b>Administrative expenses</b>	<b>8</b>	(1,601,855)	(2,109,826)	-24%	(5,014,051)	(6,805,894)	-26%
<b>Loss allowance for amounts due from associate</b>	<b>9</b>	-	(2,004,117)	n.m	(495,000)	(2,004,117)	-75%
<b>Share of profit of associates and joint venture</b>		78,685	58,914	34%	160,842	139,298	15%
<b>Finance costs</b>	<b>10</b>	(205,997)	(377,905)	-45%	(942,023)	(1,503,667)	-37%
<b>Profit (Loss) before income tax</b>		<b>38,561</b>	<b>668,632</b>	<b>-94%</b>	<b>(1,403,219)</b>	<b>1,233,060</b>	<b>-214%</b>
<b>Income tax expense</b>		(667)	(519,633)	-100%	(85,293)	(813,395)	-90%
<b>Profit (Loss) for the period</b>		<b>37,894</b>	<b>148,999</b>	<b>-75%</b>	<b>(1,488,512)</b>	<b>419,665</b>	<b>-455%</b>
<b>Other comprehensive profit (loss):</b>							
<i>Item that will not be reclassified subsequently to profit or loss</i>							
Net fair value gain (loss) in equity securities carried at fair value through other comprehensive income ("FVTOCI")	<b>11</b>	4,700,348	(7,320,140)	-164%	5,023,890	(14,588,603)	-134%
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations		57,152	153,175	-63%	(177,231)	154,710	-215%
<b>Other comprehensive profit (loss) for the period</b>		<b>4,757,500</b>	<b>(7,166,965)</b>	<b>-166%</b>	<b>4,846,659</b>	<b>(14,433,893)</b>	<b>-134%</b>
<b>Total comprehensive profit (loss) for the period</b>		<b>4,795,394</b>	<b>(7,017,966)</b>	<b>-168%</b>	<b>3,358,147</b>	<b>(14,014,228)</b>	<b>-124%</b>

**Fourth Quarter (4Q2021) and Full Year ended 31 March 2021 (FY2021)**

**Note 1** - The Group's revenue for 4Q2021 recorded S\$23.78 million, maintained consistent with 4Q2020 as the operation for construction sites resumed. On the contrary, the revenue for FY2021 recorded S\$45.91 million, a 36.6% decrease compared to FY2020 as a result of Circuit Breaker measures taken by the Singapore government due to the COVID-19 pandemic.

**Note 2** - Gross profit margin for 4Q2021 was 6.27%, which was lower than the 18.68% achieved in 4Q2020 due to operating losses arising from the increase in construction costs for certain projects as a result of the COVID-19 pandemic, as well as lesser variation orders recognised as revenue. This is partially offset by the increase in demand for portable lavatories in 4Q2021.

Gross profit margin for FY2021 was 6.57%, lower compared to gross profit margin of 12.81% achieved in FY2020.

**Note 3** - Higher gain on disposal of property, plant and equipment was due to sale of modified portable lavatories whereby the Group modifies portable lavatories by tapping on its M&E skills to install shower unit and wash basin which meets the current market demand at affordable cost in FY2021. As the sale of modified portable lavatories does not fall under the principal activities of the Group whereby the Group operates and rents the portable lavatories, hence these modified portable lavatories are classified as property, plant and equipment and gain is recognised as 'other operating income' when sold.

**Note 4** - Lower interest income from loans to associates and joint venture was due to interests being accrued on a lower carrying amount of advances to associates and joint venture (net of loss allowances) in 4Q2021 and FY2021.

**Note 5** - Lower rental income was mainly due to lower occupancy rate for workers' dormitory in 4Q2021 and FY2021.

**Note 6** - Lower fee income from financial guarantees was due to associates and joint venture utilising lesser bank borrowings in 4Q2021 and FY2021.

**Note 7** - Higher sundry income was mainly due to sale of scrapped metals and backcharge of meal expenses to dormitory tenants in FY2021.

**Note 8** - Included in administration expenses are the following:

		FOURTH QUARTER ENDED			FULL YEAR ENDED		
		31.3.2021 S\$	31.3.2020 S\$	(Increase)/ Decrease S\$	31.3.2021 S\$	31.3.2020 S\$	(Increase)/ Decrease S\$
Loss allowance for trade and other receivables, and contract assets	i	(233,606)	(964,361)	730,755	(242,256)	(965,405)	723,149
Change in fair value of held-for-trading investments	ii	(6,329)	(4,330)	(1,999)	(45,568)	(84,795)	39,227
Change in fair value of insurance contract		5,541	-	5,541	(5,936)	-	(5,936)
(Allowance) Reversal for inventory obsolescence	iii	(32,639)	20,229	(52,868)	(32,639)	20,229	(52,868)
Property tax	iv	(23,767)	(35,650)	11,883	(99,820)	(142,600)	42,780
Directors' remuneration	v	(61,665)	(179,208)	117,543	(256,415)	(806,262)	549,847
Directors' fees	v	(30,250)	(44,000)	13,750	(121,000)	(176,000)	55,000
Staff related expenses	vi	(359,998)	(411,317)	51,320	(1,442,239)	(2,013,579)	571,340
Depreciation	vii	(261,484)	(270,370)	8,886	(1,027,164)	(1,096,705)	69,541

i. Loss allowance for trade and other receivables, and contract assets in FY2021 was mainly due to difficulties experienced in recovering trade and other receivables from certain sub-contractors.

ii. Loss on fair value of held-for-trading investments in FY2021 was due to lower closing market price of quoted equity securities at the end of the reporting period.

iii. Allowance for inventory obsolescence in FY2021 was made for certain slow moving inventories.

iv. Lower property tax was due to rebates received from the government in 4Q2021 and FY2021.

v. Lower directors' remuneration and directors' fee were mainly due to adjustment made in 4Q2021 and FY2021.

vi. Lower staff related expenses were mainly due to adjustment made to salaries in 4Q2021 and FY2021.

vii. Lower depreciation in 4Q2021 and FY2021 was due to fewer property, plant and equipment subject to normal depreciation.

**Note 9** - Loss allowance for amount due from associate for FY2021 was made in relation to the property development in the People's Republic of China due to slowdown in property market amid the COVID-19 pandemic.

**Note 10** - Lower finance costs in 4Q2021 and FY2021 was due to lower effective borrowing interest rate.

**Note 11** - Net fair value gain on investment in equity securities carried at FVTOCI in 4Q2021 and FY2021 was due to increase in the quoted closing market prices to THB 3.92 as at 31 March 2021 from THB 2.88 as at 31 December 2020 and THB 2.88 as at 31 March 2020 respectively. These securities pertain to investment in quoted equity shares of Kaset Thai International Sugar Corporation Public Company Limited listed on Thailand Stock Exchange.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

**KING WAN CORPORATION LIMITED (GROUP)**  
**STATEMENT OF FINANCIAL POSITION**

	As at	As at
	31.3.2021	31.3.2020
	S\$	S\$
<b><u>ASSETS</u></b>		
<b>Current Assets:</b>		
Cash and cash equivalents	11,129,898	8,197,497
Trade receivables	10,358,679	5,322,211
Other receivables and prepayments	6,660,491	6,895,032
Held-for-trading investments	157,422	202,990
Inventories	1,203,095	950,664
Contract assets	22,745,917	25,300,296
<b>Total current assets</b>	<b>52,255,502</b>	<b>46,868,690</b>
<b>Non-current assets</b>		
Other receivables	38,020,776	42,535,125
Property, plant and equipment	2,017,781	2,091,671
Right-of-use assets	2,334,338	2,810,189
Investment in associates and joint venture	3,953,300	3,792,458
Investments	19,166,708	14,148,754
Deferred tax assets	499,851	221,783
<b>Total non-current assets</b>	<b>65,992,754</b>	<b>65,599,980</b>
<b>Total assets</b>	<b>118,248,256</b>	<b>112,468,670</b>
<b><u>LIABILITIES AND EQUITY</u></b>		
<b>Current Liabilities</b>		
Bank borrowings	10,866,667	14,713,253
Contract liabilities	1,728,316	157,982
Trade payables	17,449,791	15,779,608
Bills payables	18,585,979	19,541,584
Other payables	1,694,227	1,868,709
Lease liabilities	522,397	510,696
Provision for liabilities	2,320,925	1,552,802
Income tax payable	934,398	992,563
<b>Total current liabilities</b>	<b>54,102,700</b>	<b>55,117,197</b>
<b>Non-current liabilities</b>		
Bank borrowings	3,958,334	-
Lease liabilities	1,083,902	1,606,300
<b>Total non-current liabilities</b>	<b>5,042,236</b>	<b>1,606,300</b>
<b>Capital and reserves</b>		
Share capital	46,813,734	46,813,734
Retained earnings	37,257,792	38,746,304
Foreign currency translation reserve	(91,416)	85,815
Investment revaluation reserve	(24,876,790)	(29,900,680)
<b>Total equity</b>	<b>59,103,320</b>	<b>55,745,173</b>
<b>Total liabilities and equity</b>	<b>118,248,256</b>	<b>112,468,670</b>

**KING WAN CORPORATION LIMITED (COMPANY)**  
**STATEMENT OF FINANCIAL POSITION**

	As at	As at
	31.03.2021	31.3.2020
	S\$	S\$
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and cash equivalents	120,414	143,878
Other receivables and prepayments	14,668	44,117
Amount due from subsidiaries	5,244,211	5,002,579
<b>Total current assets</b>	<b>5,379,293</b>	<b>5,190,574</b>
<b>Non-current assets:</b>		
Investment in subsidiaries	31,699,413	31,699,413
Investment in associates and a joint venture	941,960	941,960
Investments	14,709,726	10,807,145
<b>Total non-current assets</b>	<b>47,351,099</b>	<b>43,448,518</b>
<b>Total assets</b>	<b>52,730,392</b>	<b>48,639,092</b>
<b><u>LIABILITIES &amp; EQUITY</u></b>		
<b>Current liabilities:</b>		
Other payables	668,122	835,008
Amount due to a subsidiary	18,634,705	16,793,855
Income tax payable	1,856	1,856
<b>Total current liabilities</b>	<b>19,304,683</b>	<b>17,630,719</b>
<b>Capital and reserves:</b>		
Share capital	46,813,734	46,813,734
Retained earnings	5,936,379	7,421,623
Investment revaluation reserve	(19,324,404)	(23,226,984)
<b>Total equity</b>	<b>33,425,709</b>	<b>31,008,373</b>
<b>Total liabilities and equity</b>	<b>52,730,392</b>	<b>48,639,092</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

**Amount repayable in one year or less, or on demand**

As at		As at	
31.3.2021		31.3.2020	
Secured	Unsecured	Secured	Unsecured
\$252,724	\$29,452,646	\$265,193	\$34,254,837

**Amount repayable after 1 year**

As at		As at	
31.3.2021		31.3.2020	
Secured	Unsecured	Secured	Unsecured
\$128,287	\$3,958,334	\$381,011	-

**Details of any collateral**

Secured liabilities refer to assets acquired under lease agreements. Unsecured liabilities refer to banking facilities guaranteed by the Company.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

**KING WAN CORPORATION LIMITED**  
**STATEMENT OF CASH FLOWS**

	Note	GROUP FOURTH QUARTER ENDED		GROUP FULL YEAR ENDED	
		31.3.2021	31.3.2020	31.3.2021	31.3.2020
		S\$	S\$	S\$	S\$
<b>Operating Activities</b>					
<b>Profit (Loss) before income tax</b>		38,561	668,632	(1,403,219)	1,233,060
Adjustments for					
Depreciation of property, plant and equipment		142,521	(3,019)	551,313	623,490
Depreciation of right-of-use assets		118,963	273,389	475,851	473,215
Gain on disposal of property, plant and equipment		(5,458)	(509)	(154,661)	(24,879)
Loss allowance for trade and other receivables, and contract assets		233,606	966,449	242,256	965,405
Bad debts written off on trade receivables		5,624	-	5,624	-
Allowance (Reversal) for inventory obsolescence		32,639	(20,229)	32,639	(20,229)
Inventories written off		7,777	-	7,777	-
Change in fair value of held-for-trading investments		6,329	4,330	45,568	84,795
Change in fair value of insurance contract		(5,541)	(14,383)	5,936	(18,489)
Dividend income from held-for-trading investments		-	-	(132)	(139)
Dividend income from investment in equity securities carried at FVTOCI		-	(741,451)	-	(741,451)
Interest income		(226,461)	(247,051)	(920,028)	(973,641)
Interest expense		205,997	377,905	942,023	1,503,667
Loss allowance for amounts due from associates		-	2,004,117	495,000	2,004,117
Share of profit of associates and joint venture		(78,685)	(58,914)	(160,842)	(139,298)
Provision for liabilities		138,246	1,013,549	930,638	633,038
Fee income from financial guarantee to associates and joint venture		(28,932)	(45,285)	(115,725)	(181,141)
<b>Operating cash flows before movements in working capital</b>		585,186	4,177,530	980,018	5,421,520
Trade receivables		(4,218,285)	468,170	(5,311,334)	953,433
Other receivables and prepayments		(42,251)	(291,617)	183,292	(385,769)
Contract assets		(2,531,971)	(3,211,952)	2,639,750	(326,567)
Contract liabilities		413,759	(806,150)	1,570,334	(665,327)
Inventories		(5,306)	131,977	(292,847)	29,871
Trade payables and bill payables		7,258,997	4,999,827	714,578	4,177,342
Other payables		(338,379)	(510,374)	(58,757)	89,717
Provision for liabilities		(13,282)	(4,841)	(162,515)	(234,124)
<b>Cash generated from operations</b>		1,108,468	4,952,570	262,519	9,060,096
Income tax paid		(176,914)	(50,588)	(421,526)	(588,031)
Interest paid		(205,997)	(424,665)	(942,023)	(1,503,667)
Net cash from (used in) operating activities		725,557	4,477,317	(1,101,030)	6,968,398
<b>INVESTING ACTIVITIES</b>					
Interest received		2,201	2,113	9,300	10,123
Advances to associates and joint venture		(350,000)	(330,000)	(1,305,000)	(3,375,000)
Repayments from an associate		6,050,000	-	6,050,000	-
Dividends received from held-for-trading investments		-	-	132	139
Dividends received from investment in equity securities carried at FVTOCI		-	741,451	-	741,451
Purchase of property, plant and equipment	a	(152,774)	(6,660)	(532,694)	(50,410)
Proceeds from disposal of property, plant and equipment		9,762	1,599	209,932	79,476
Purchase of right-of-use assets		-	-	-	(7,106)
Net cash from (used in) investing activities		5,559,189	408,503	4,431,670	(2,601,327)
<b>FINANCING ACTIVITIES</b>					
Repayments of lease liabilities		(128,802)	(69,062)	(510,697)	(504,254)
Proceeds from bank borrowings and overdrafts		-	(250,000)	5,000,000	1,250,000
Repayments of bank borrowings		138,254	(842,186)	(3,624,999)	(3,166,096)
Net cash from (used in) financing activities		9,452	(1,161,248)	864,304	(2,420,350)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		6,294,198	3,724,572	4,194,944	1,946,721
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		6,082,804	3,208,342	6,934,244	4,988,367
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON BALANCES HELD IN FOREIGN CURRENCIES</b>		16,149	1,330	710	(844)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	b	12,393,151	6,934,244	11,129,898	6,934,244

Note a

	GROUP FOURTH QUARTER ENDED		GROUP FULL YEAR ENDED	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	S\$	S\$	S\$	S\$
Purchase of right-of-use assets	-	-	-	79,068
Less : Assets acquired under lease arrangement	-	-	-	(71,962)
Net	-	-	-	7,106

Note b

Cash and cash equivalents consist of cash, bank balances, less bank overdrafts as follows:

	GROUP As at	
	31.3.2021	31.3.2020
	S\$	S\$
Cash and bank balances	11,129,898	8,197,497
Bank overdrafts	-	(1,263,253)
Net	11,129,898	6,934,244

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**STATEMENT OF CHANGES IN EQUITY**

<b>GROUP</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Foreign currency translation reserve</b>	<b>Investment revaluation reserve</b>	<b>Total</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Balance as at 1 April 2019</b>	46,813,734	38,326,639	(68,895)	(15,312,077)	69,759,401
Total comprehensive loss for the year:					
Profit for the year	-	419,665	-	-	419,665
Other comprehensive loss for the year	-	-	154,710	(14,588,603)	(14,433,893)
<b>Balance as at 31 March 2020</b>	46,813,734	38,746,304	85,815	(29,900,680)	55,745,173
<b>Balance as at 1 April 2020</b>	46,813,734	38,746,304	85,815	(29,900,680)	55,745,173
Total comprehensive profit for the year:					
Loss for the year	-	(1,488,512)	-	-	(1,488,512)
Other comprehensive profit for the year	-	-	(177,231)	5,023,890	4,846,659
<b>Balance as at 31 March 2021</b>	46,813,734	37,257,792	(91,416)	(24,876,790)	59,103,320

<b>COMPANY</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Investment revaluation reserve</b>	<b>Total</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Balance as at 1 April 2019</b>	46,813,734	13,213,931	(11,894,492)	48,133,173
Total comprehensive loss for the year:				
Loss for the year	-	(5,792,308)	-	(5,792,308)
Other comprehensive loss for the year	-	-	(11,332,492)	(11,332,492)
<b>Balance as at 31 March 2020</b>	46,813,734	7,421,623	(23,226,984)	31,008,373
<b>Balance as at 1 April 2020</b>	46,813,734	7,421,623	(23,226,984)	31,008,373
Total comprehensive profit for the year:				
Loss for the year	-	(1,485,244)	-	(1,485,244)
Other comprehensive profit for the year	-	-	3,902,580	3,902,580
<b>Balance as at 31 March 2021</b>	46,813,734	5,936,379	(19,324,404)	33,425,709

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

There are no changes in the Company's share capital since the end of the previous period reported on. As at 31 March 2021, the Company does not have any outstanding convertibles or treasury shares (as at 31 March 2020 : Nil).

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares as at 31 March 2021 is 349,176,870 (as at 31 March 2020 : 349,176,870).

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

As at 31 March 2021, the Company does not have any treasury shares.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year as those applied in the preparation of the audited financial statements for the financial year ended 31 March 2020.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

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

	Group		Group	
	Fourth Quarter ended		Full Year ended	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
(i) Basic earnings (loss) per share (in cents)	0.01	0.04	(0.43)	0.12
Weighted Average Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870
(ii) Diluted earnings (loss) per share (in cents)	0.01	0.04	(0.43)	0.12
Weighted Average Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year**

	Group		Company	
	As at		As at	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
Net Asset Value Per Ordinary Share (in cents)	16.93	15.96	9.57	8.88
Number of Shares	349,176,870	349,176,870	349,176,870	349,176,870

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **STATEMENT OF COMPREHENSIVE INCOME**

##### **Fourth Quarter ended 31 March 2021 (4Q2021)**

The Group's revenue for 4Q2021 recorded S\$23.78 million, maintained consistent with 4Q2020 as the operation for construction sites resumed. Gross profit margin for 4Q2021 was 6.27%, which was lower than the 18.68% achieved in 4Q2020 due to operating losses arising from the increase in construction costs for certain projects as a result of the COVID-19 pandemic, as well as lesser variation orders recognised as revenue. This is partially offset by the increase in demand for portable lavatories in 4Q2021.

The Group's net profit after income tax for 4Q2021 was S\$0.04 million, which was slightly lower than S\$0.15 million achieved in 4Q2020.

### **Full Year ended 31 March 2021 (FY2021)**

The Group's revenue for FY2021 recorded S\$45.91 million, a 36.6% decrease compared to FY2020 as a result of Circuit Breaker measures taken by the Singapore government due to the COVID-19 pandemic. Gross profit margin for FY2021 was 6.57%, which was lower than the 12.81% achieved in FY2020.

The Group's net loss after income tax for FY2021 was S\$1.49 million whereas it was a net profit of S\$0.42 million in FY2020. This was mainly due to lower gross profit achieved in the current period.

### **EARNINGS PER SHARE (EPS) AND NET ASSET VALUE PER SHARE (NAV)**

EPS for 4Q2021 was 0.01 cents, lower compared to 0.04 cents in 4Q2020. Loss per share for FY2021 was 0.43 cents, compared to EPS of 0.12 cents in FY2020.

NAV for the Group stood at 16.93 cents per share at 31 March 2021, an increase from 15.96 cents per share at 31 March 2020. This increase was due to net fair value gain on investment in equity securities carried at FVTOCI, partially offset by the net loss incurred during the current period.

### **STATEMENT OF FINANCIAL POSITION**

The Group's equity base stood at S\$59.10 million as at 31 March 2021, an increase from S\$55.75 million as at 31 March 2020.

Total current assets amounted to S\$52.26 million as at 31 March 2021, higher than the S\$46.87 million as at 31 March 2020. The increase was mainly due to increase in cash and cash equivalents as a result of net repayment of loans received from associates and joint venture, and net increase in trade receivables and contract assets as a result of more construction works being carried out during the end of the current period.

Non-current assets increased to S\$65.99 million as at 31 March 2021 from S\$65.60 million as at 31 March 2020. The increase was mainly due to net fair value gain on investment in equity securities carried at FVTOCI and accrual of interest income on loans to associates and joint venture, partially offset by the net repayment of loans received from associates and joint venture.

Current liabilities decreased to S\$54.10 million as at 31 March 2021 from S\$55.12 million as at 31 March 2020. The decrease was mainly due to decrease in bank borrowings due to repayments made, partially offset by increase in trade payables and contract liabilities as a result of more construction works being carried out during the end of the current period as well as increase in provision for liabilities due to operating losses arising from the increase in construction costs for certain projects as a result of the COVID-19 pandemic.

Non-current liabilities increased to S\$5.04 million as at 31 March 2021 from S\$1.61 million as at 31 March 2020 was mainly due to drawdown of temporary bridging loans during the current period.

The debt-equity ratio decreased to 0.57 as at 31 March 2021 as compared to 0.63 as at 31 March 2020 was due to a higher equity base as a result of net fair value gain on investment in equity securities carried at FVTOCI, partially offset by the net loss incurred during the current period.

### **STATEMENT OF CASH FLOWS**

#### **Fourth Quarter (4Q2021) and Full Year ended 31 March 2021 (FY2021)**

Net cash from operating activities amounted to S\$0.73 million in 4Q2021 (FY2021 : outflow of S\$1.10 million), compared to an inflow of S\$4.48 million in 4Q2020 (FY2020 : S\$6.97 million). The inflow was mainly due to resumption of operation for construction sites during the current period.

Net cash from investing activities amounted to S\$5.56 million in 4Q2021 (FY2021 : S\$4.43 million), compared to an inflow of S\$0.41 million in 4Q2020 (FY2020 : outflow of S\$2.60 million). The inflow was mainly due to net repayment of loans from associates and joint venture of the Group during the current period, partially offset by the purchase of property, plant and equipment.

Net cash from financing activities is minimal in 4Q2021 (FY2021 : S\$0.86 million), compared to an outflow of S\$1.17 million in 4Q2020 (FY2020 : S\$2.42 million).

As a result of the aforementioned, cash and cash equivalents stood at S\$11.13 million as at 31 March 2021.



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

No forecast had been issued.

**10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Singapore construction sector has been adversely affected since the onset of COVID-19 situation early 2020. According to press release issued by Singapore Ministry of Trade and Industry on 15 February 2021, for the whole of 2020, the Singapore economy contracted by 5.4%, a reversal from the 1.3% growth recorded in 2019. In particular, the construction sector shrank by 35.9%, a sharp retraction from the 1.6% growth posted in 2019, weighed down by weakness in both public sector and private sector construction works. While the construction sector is projected to recover from the low base last year, activity levels at construction worksites will continue to be dampened by the requirement for safe management measures. The recovery in output is also expected to be slow due to the plunge in contracts awarded for construction works in 2020.

With prolonged manpower crunch and increasing cost of materials, we expect the Mechanical and Electrical (M&E) business segment to be challenging in the next 12 months and face pressures from rising cost and uncertainties over economic recovery. Based on order books secured, the M&E business will remain the core business for the Group. The M&E business and the rental of portable lavatories will continue to generate income streams for the Group.

As at the date of this Announcement, the Group has approximately S\$156.9 million worth of M&E engineering contracts on hand. The Group will continue to be vigilant and maintain sufficient liquidity to meet its obligations.

**11. Dividend**

**(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.

**12. If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared.

**13. If the Group has obtained a general mandate from shareholders for interested person transactions (“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.**

The Company does not have any shareholders’ mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

**14. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1).**

The Company confirms compliance with Rule 720(1).

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

**Primary reporting format - Business Segment - 2021**

	Plumbing and sanitary	Electrical	Toilet Rental	Investment Holdings	Others	Elimination	Consolidated Total
	SS	SS	SS	SS	SS	SS	SS
<b>Revenue</b>							
External sales	22,354,026	19,953,571	3,649,878	-	-	(51,885)	45,905,590
<b>Results</b>							
Segment result	(110,031)	(2,218,580)	1,402,773	(334,158)	-	12,078	(1,247,918)
Unallocated expenses							(868,348)
Net other operating income							1,655,070
Finance costs							(942,023)
Loss before income tax							(1,403,219)
Income tax expense							(85,293)
Loss for the year							(1,488,512)
<b>Other Information</b>							
Capital expenditures additions	7,313	7,312	386,244	-	131,825	-	532,694
Fee income from financial guarantee to associates and joint venture	-	-	-	-	115,725	-	115,725
Depreciation	11,495	11,495	235,267	-	768,907	-	1,027,164
Allowance for amounts due from associates	-	-	-	495,000	-	-	495,000
Loss allowance for trade and other receivables, and contract assets	70,374	118,812	(5,315)	-	58,385	-	242,256
<b>Assets</b>							
Segment assets	21,741,711	11,798,680	2,462,003	66,866,625	-	-	102,869,019
Unallocated assets							15,379,237
Consolidated total assets							118,248,256
<b>Liabilities</b>							
Segment liabilities	19,834,209	19,945,583	1,681,053	-	-	(3,313,937)	38,146,908
Unallocated liabilities							20,998,028
Consolidated total liabilities							59,144,936

**Primary reporting format - Business Segment - 2020**

	Plumbing and sanitary	Electrical	Toilet Rental	Investment Holdings	Others	Elimination	Consolidated Total
	SS	SS	SS	SS	SS	SS	SS
<b>Revenue</b>							
External sales	36,615,370	32,634,791	2,415,573	741,450	-	(9,176)	72,398,008
<b>Results</b>							
Segment result	5,282,030	(1,373,796)	(588,246)	(1,123,369)	-	60,462	2,257,081
Unallocated expenses							(1,636,388)
Net other operating income							2,116,034
Finance costs							(1,503,667)
Profit before income tax							1,233,060
Income tax expense							(813,395)
Profit for the year							419,665
<b>Other Information</b>							
Capital expenditures additions	3,325	3,325	-	-	122,828	-	129,478
Fee income from financial guarantee to associates and joint venture	-	-	-	-	186,360	(5,219)	181,141
Depreciation	13,767	13,767	243,013	-	826,158	-	1,096,705
Allowance for amounts due from associates	-	-	-	2,004,117	-	-	2,004,117
Loss allowance for trade and other receivables, and contract assets	(705,651)	1,668,765	2,291	-	-	-	965,405
<b>Assets</b>							
Segment assets	21,071,591	9,510,684	2,074,467	66,210,308	-	(1,076)	98,865,974
Unallocated assets							13,602,696
Consolidated total assets							112,468,670
<b>Liabilities</b>							
Segment liabilities	19,279,465	17,523,330	2,406,875	-	-	(2,433,303)	36,776,367
Unallocated liabilities							19,947,130
Consolidated total liabilities							56,723,497

**SEGMENTAL REPORTING****Secondary reporting format – Geographical Segments**

	Revenue		Non-current assets	
	2021	2020	31.3.2021	31.3.2020
	S\$	S\$	S\$	S\$
Singapore	45,905,590	72,398,008	46,688,399	51,366,322

Non-current assets above excludes investments held in Thailand.

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to Item 8.

**17. A breakdown of sales**

	Group		Increase/ (Decrease)
	2021	2020	
	S\$	S\$	
Sales reported for first half year	6,558,154	33,331,861	-80%
Operating (loss) profit after tax for the first half year	(1,831,180)	42,661	-4392%
Sales reported for second half year	39,347,436	39,066,147	1%
Operating profit after tax for the first half year	342,668	377,004	-9%

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

Not applicable.

**19. 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 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
Chua Kim Hua	81	a) Brother of Chua Hai Kuey b) Father of Chua Eng Eng	Executive Chairman - February 2000	No change
Chua Hai Kuey	70	a) Brother of Chua Kim Hua b) Uncle of Chua Eng Eng	Executive Director - February 2000	No change
Chua Eng Eng	51	a) Daughter of Chua Kim Hua b) Niece of Chua Hai Kuey	Executive Director - November 2000 Managing Director - August 2002	No change
Chua Yean Cheng	50	a) Daughter of Chua Kim Hua b) Niece of Chua Hai Kuey c) Sister of Chua Eng Eng	Human Resource and Admin Manager - July 2011	No change

Catherine Lim Siok Ching  
Company Secretary

27 May 2021