



(Company Registration No. 201414628C)

MS HOLDINGS LIMITED

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2020

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

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2020

PART 1 - INFORMATION REQUIRED FOR SIX-MONTH AND FULL YEAR ANNOUNCEMENTS

1(a)(i) A statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Six months ended 31 October		
	2020	2019	Change
	S\$'000	S\$'000	%
Revenue	3,955	7,468	(47.0)
Cost of sales	(3,574)	(5,236)	(31.7)
Gross profit	381	2,232	(82.9)
Other income	964	467	>100
Expenses			
Distribution expenses	(4)	(6)	(33.3)
General and administrative expenses	(1,886)	(1,915)	(1.5)
Finance costs	(503)	(560)	(10.2)
(Loss)/profit before tax	(1,048)	218	NM
Income tax credit/(expense)	94	(207)	NM
(Loss)/profit for the period	(954)	11	NM
(Loss)/profit net of tax, representing total comprehensive (loss)/income attributable to:			
Owners of the Company	(945)	34	NM
Non-controlling interests	(9)	(23)	(60.9)
(Loss)/profit net of tax, representing total comprehensive (loss)/income for the period	(954)	11	NM

NM Not meaningful

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1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

A) Other income

	Group		
	Six months ended 31 October		
	2020	2019	Change
	S\$'000	S\$'000	%
Rental income from subleased leasehold land and buildings	199	253	(21.3)
Service income	120	171	(29.8)
Interest income	20	_#	NM
Gain on disposal of plant and equipment	–	2	NM
Gain on disposal of joint venture	–	3	NM
Government grants/incentives	599	11	>100
Miscellaneous income	26	27	(3.7)
	964	467	>100

B) (Loss)/profit before tax was stated after charging:

	Group		
	Six months ended 31 October		
	2020	2019	Change
	S\$'000	S\$'000	%
Depreciation of property, plant and equipment	1,716	1,761	(2.6)
Loss on disposal of plant and equipment	20	–	NM
Impairment loss on trade receivables	68	37	83.8
Impairment loss on trade receivables written back	(9)	(5)	80.0

NM Not meaningful
Amount less than S\$1,000

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

	Group		Company	
	As at 31.10.2020 S\$'000	As at 30.04.2020 S\$'000	As at 31.10.2020 S\$'000	As at 30.04.2020 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	47,281	50,656	9	12
Investment in subsidiaries	–	–	23,488	23,488
	<u>47,281</u>	<u>50,656</u>	<u>23,497</u>	<u>23,500</u>
Current assets				
Trade and other receivables	4,603	5,192	1,801	3,887
Prepaid operating expenses	144	208	8	10
Inventories	35	35	–	–
Cash and bank balances	12,044	9,950	3,124	3,344
Asset held for sale	1,785	–	–	–
	<u>18,611</u>	<u>15,385</u>	<u>4,933</u>	<u>7,241</u>
Total assets	<u>65,892</u>	<u>66,041</u>	<u>28,430</u>	<u>30,741</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	1,792	1,462	199	2,422
Accrued operating expenses	437	547	104	169
Interest-bearing loans and borrowings	13,511	15,304	–	–
Provision for taxation	22	18	15	11
Provision for reinstatement cost - Asset held for sale	300	–	–	–
	<u>16,062</u>	<u>17,331</u>	<u>318</u>	<u>2,602</u>
Non-current liabilities				
Interest-bearing loans and borrowings	23,026	20,554	–	–
Deferred tax liabilities	1,697	1,795	2	2
Provision for reinstatement cost	400	700	–	–
	<u>25,123</u>	<u>23,049</u>	<u>2</u>	<u>2</u>
Total liabilities	<u>41,185</u>	<u>40,380</u>	<u>320</u>	<u>2,604</u>
Net assets	<u>24,707</u>	<u>25,661</u>	<u>28,110</u>	<u>28,137</u>
Equity attributable to owners of the Company				
Share capital	29,334	29,334	29,334	29,334
Merger reserve	(19,728)	(19,728)	–	–
Retained earnings/(accumulated losses)	15,023	15,968	(1,224)	(1,197)
	<u>24,629</u>	<u>25,574</u>	<u>28,110</u>	<u>28,137</u>
Non-controlling interests	78	87	–	–
Total equity	<u>24,707</u>	<u>25,661</u>	<u>28,110</u>	<u>28,137</u>
Total equity and liabilities	<u>65,892</u>	<u>66,041</u>	<u>28,430</u>	<u>30,741</u>



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

Amount repayable in one year or less, or on demand

	As at 31.10.2020		As at 30.04.2020	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Current				
Loans and borrowings	11,471	–	12,966	–
Lease liabilities*	2,040	–	2,338	–

Amount repayable after one year

Non-current

Loans and borrowings	18,385	–	14,978	–
Lease liabilities*	4,641	–	5,576	–

* The lease liabilities consist of finance lease liabilities of S\$3,357,000 (30.04.2020: S\$4,537,000) and lease liabilities of S\$3,324,000 (30.04.2020: S\$3,377,000) which relate to right-of-use assets.

Details of any collaterals

The Group's borrowings comprised (i) bank borrowings to finance the acquisition of a leasehold property and working capital; and (ii) obligations under finance leases to fund the purchases of cranes and other equipment.

The above credit facilities are secured by one or several of (i) mortgage over respective plant and equipment financed under hire purchase arrangement; (ii) mortgage over the leasehold property; (iii) deed of charge; and (iv) corporate guarantee by the Company.

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2020

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

	Group	
	Six months ended 31 October	
	2020	2019
	S\$'000	S\$'000
Operating activities:		
(Loss)/profit before tax	(1,048)	218
Adjustments for:		
Depreciation of property, plant and equipment	1,716	1,761
Gain on disposal of plant and equipment, net	–	(2)
Loss on disposal of plant and equipment, net	20	–
Gain on disposal of joint venture	–	(3)
Impairment loss on trade receivables	68	37
Impairment loss on trade receivables written back	(9)	(5)
Interest income	(20)	_#
Interest expense	503	560
Total adjustments	2,278	2,348
Operating cash flows before changes in working capital	1,230	2,566
Changes in working capital:		
Decrease in trade and other receivables	549	233
Decrease in prepaid operating expenses	64	4
Decrease in inventories	–	66
Increase/(decrease) in trade and other payables	330	(85)
Decrease in accrued operating expenses	(144)	(45)
Total changes in working capital	799	173
Cash flows from operations	2,029	2,739
Income tax paid	_#	_#
Interest paid	(469)	(537)
Net cash flows generated from operating activities	1,560	2,202
Investing activities:		
Purchase of property, plant and equipment (Note A)	(147)	(396)
Proceeds from disposal of joint venture	–	81
Proceeds from disposal of plant and equipment	1	2
Interest income	1	_#
Net cash flows used in investing activities	(145)	(313)
Financing activities:		
Proceeds from bank borrowings	5,000	3,500
Repayment of bank borrowings	(3,041)	(1,214)
Repayment of bank borrowings for leasehold land and buildings	(47)	–
Repayment of obligation under finance leases	(1,180)	(1,671)
Payment of principal portion of lease liabilities	(53)	(52)
Financing cash flows related to liabilities	679	563
Net cash flows generated from financing activities	679	563
Net increase in cash and cash equivalents	2,094	2,452
Cash and cash equivalents at 1 May	9,950	4,150
Cash and cash equivalents at 31 October	12,044	6,602

Amount less than S\$1,000



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

Notes to Consolidated Statements of Cash Flows:

A) Purchase of property, plant and equipment

	Group	
	Six months ended	
	31 October	
	2020	2019
	S\$'000	S\$'000
Current year additions to property, plant and equipment	147	396
Less:		
Increase in lease liabilities	—	—
Net cash outflow for purchase of property, plant and equipment	<u>147</u>	<u>396</u>

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2020

- 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.

Group	Attributable to the owners of the Company				Non-	Total
	Share Capital	Merger Reserve	Retained Earnings	Total	controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 May 2019	29,334	(19,728)	17,323	26,929	58	26,987
Profit for the period, representing total comprehensive income for the period	–	–	34	34	(23)	11
At 31 October 2019	29,334	(19,728)	17,357	26,963	35	26,998
At 1 May 2020	29,334	(19,728)	15,968	25,574	87	25,661
Loss for the period, representing total comprehensive loss for the period	–	–	(945)	(945)	(9)	(954)
At 31 October 2020	29,334	(19,728)	15,023	24,629	78	24,707



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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.

	Share Capital S\$'000	Accumulated Losses S\$'000	Total S\$'000
Company			
At 1 May 2019	29,334	(967)	28,367
Loss for the period, representing total comprehensive loss for the period	–	(148)	(148)
At 31 October 2019	29,334	(1,115)	28,219
At 1 May 2020	29,334	(1,197)	28,137
Loss for the period, representing total comprehensive loss for the period	–	(27)	(27)
At 31 October 2020	29,334	(1,224)	28,110

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- 1(d)(ii) Details of any changes 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 since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the corresponding period of the immediately preceding financial year.**

There were no changes in the Company's share capital since 30 April 2020.

As at 31 October 2020 and 31 October 2019, there were a total of 15,947,365 warrants outstanding, each warrant carrying the right to subscribe for one share at the exercise price of S\$0.13 per share.

As at 31 October 2020 and 31 October 2019, there were no treasury shares and subsidiary holdings.

- 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.**

	As at	
	31.10.2020	30.04.2020
Total number of issued ordinary shares	165,789,460	165,789,460

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

There were no sales, transfers, cancellation and/or use of treasury shares during and as at the end of the current financial period reported on. There were no treasury shares held by the Company as at 31 October 2020.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There were no sales, transfers, cancellation and/or use of subsidiary holdings during and as at the end of the current financial period reported on. There were no subsidiary holdings held by the Company as at 31 October 2020.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditor.

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2020

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

Not applicable as the Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

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

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

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

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

Not applicable.

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

Save as disclosed in paragraph 5 below, the financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recent audited financial statements of the Group for the financial year ended 30 April 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.

The Group has adopted new and revised Singapore Financial Reporting Standards (International) ("SFRS (I)") and interpretations of SFRS (I) applicable to the Group which are effective for the financial year beginning 1 May 2020. These are not expected to have a material impact on the Group's financial statements.

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 Six months ended 31 October	
	2020	2019
Earnings per share		
(a) Basic (loss)/earnings per share (cents) ⁽¹⁾	(0.57)	0.02
(b) Diluted (loss)/earnings per share (cents) ⁽²⁾	(0.57)	0.02

As at 31 October 2020, the Company does not have any dilutive instruments.

⁽¹⁾ The calculation of basic (loss)/earnings per share is based on the (loss)/profit for the period attributable to owners of the Company of (S\$945,000) (1H2020: S\$34,000) divided by the weighted average number of ordinary shares in issue during the period of 165,789,460 (1H2020: 165,789,460).

⁽²⁾ The calculation of fully diluted (loss)/earnings per share is based on the (loss)/profit for the period attributable to owners of the Company of (S\$945,000) (1H2020: S\$34,000) divided by the weighted average number of ordinary shares in issue during the period of 165,789,460 (1H2020: 165,789,460). The warrants are anti-dilutive and have not been included in the computation above.

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- 7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	As at 31.10.2020	As at 30.04.2020	As at 31.10.2020	As at 30.04.2020
Net assets (S\$'000)	24,629	25,574	28,110	28,137
Number of shares ('000)	165,789	165,789	165,789	165,789
Net asset value per share (cents)	14.9	15.4	17.0	17.0

- 8 **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 the Group's performance

Revenue

For the six-month financial period ended 31 October 2020 ("1H2021"), the Group's revenue decreased by S\$3.5 million or 47.0% to S\$4.0 million, compared to S\$7.5 million in the six-month financial period ended 31 October 2019 ("1H2020"). This was mainly due to decrease in utilisation rates of cranes, which reflected the challenging market conditions faced by our customers in the construction and oil and gas industries.

To reduce the community spread of COVID-19, the Singapore Government had implemented circuit breaker measures from 7 April 2020 to 1 June 2020 which resulted in the suspension of almost all construction worksites and closure of non-essential workplaces as well as manpower disruptions. The Group's business was greatly affected by the implementation of the circuit breaker measures.

Cost of sales and gross profit

Cost of sales decreased by S\$1.6 million or 31.7% from S\$5.2 million in 1H2020 to S\$3.6 million in 1H2021.

Gross profit decreased by S\$1.8 million or 82.9%, from S\$2.2 million in 1H2020 to S\$0.4 million in 1H2021. Gross profit margin decreased from 29.9% to 9.6%.

The decrease was mainly to the decrease in utilisation rate of our mobile cranes as a result of the circuit breaker measures and movement restrictions of migrant workers staying at dormitories being implemented during the COVID-19 outbreak. Fixed costs such as depreciation and salary costs remain despite the significant reduction in business activities.



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Other income

Other income increased by S\$0.5 million or 106.4% from S\$0.5 million in 1H2020 to S\$1.0 million in 1H2021, due mainly to the increase in government grants under COVID-19 support programs and schemes of S\$0.6 million. This was partially offset by a decrease in rental and service income of S\$0.1 million.

Distribution expenses

Distribution expenses were not significant and were less than S\$0.1 million for both 1H2020 and 1H2021.

General and administrative expenses

General and administrative expenses remain at S\$1.9 million for both 1H2020 and 1H2021 respectively.

Finance costs

Finance costs decreased approximately S\$0.1 million or 10.2% from S\$0.6 million in 1H2020 to S\$0.5 million in 1H2021, due mainly to the full redemption of certain finance leases.

Income tax credit

The income tax expense decreased by S\$0.3 million from S\$0.2 million in 1H2020 to S\$0.1 million of income tax credit in 1H2021, due mainly to taxable temporary differences in tax and accounting depreciation.

Net loss

The Group reported a net loss of approximately S\$1.0 million in 1H2021 compared to a profit of approximately S\$11,000 in 1H2020.

Review of the Group's financial position

Non-current assets

As at 31 October 2020, non-current assets amounted to S\$47.3 million or 71.8% of total assets of S\$65.9 million. Non-current assets decreased by S\$3.4 million from S\$50.7 million as at 30 April 2020 to S\$47.3 million as at 31 October 2020 due to reasons explained below.

Property, plant and equipment decreased by S\$3.4 million from S\$50.7 million as at 30 April 2020 to S\$47.3 million as at 31 October 2020, due mainly to depreciation of plant and equipment of S\$1.7 million and reclassification of a property to asset held for sale of S\$1.8 million. The reclassification arose from the proposed disposal of the property at 11 Gul Drive which was announced on 1 September 2020. This was partially offset by the acquisition of new plant and equipment of S\$0.1 million.

Current assets

As at 31 October 2020, current assets amounted to S\$18.6 million or 28.2% of total assets of S\$65.9 million. Current assets increased by S\$3.2 million from S\$15.4 million as at 30 April 2020 to S\$18.6 million as at 31 October 2020 due to reasons explained below.



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Trade and other receivables decreased by S\$0.6 million from S\$5.2 million as at 30 April 2020 to S\$4.6 million as at 31 October 2020, mainly due to the reduction in revenue.

Inventories remain at approximately S\$35,000 for both 1H2020 and 1H2021 respectively.

Cash and bank balances increased by S\$2.0 million from S\$10.0 million as at 30 April 2020 to S\$12.0 million as at 31 October 2020. More details on changes to the cash and bank balances can be found under the "Review of the Group's statement of cash flows" section below.

Asset held for sale of S\$1.8 million was reclassified from property, plant and equipment due to a grant of option to purchase for the 11 Gul Drive property on 31 August 2020 that was announced on 1 September 2020.

Current liabilities

As at 31 October 2020, current liabilities amounted to S\$16.1 million or 39.1% of total liabilities of S\$41.2 million. Current liabilities decreased by S\$1.2 million from S\$17.3 million as at 30 April 2020 to S\$16.1 million as at 31 October 2020 due to reasons explained below.

Trade and other payables increased by S\$0.3 million from S\$1.5 million as at 30 April 2020 to S\$1.8 million as at 31 October 2020 as a result of a slowdown in business activities.

Accrued operating expenses decreased by S\$0.1 million from S\$0.5 million as at 30 April 2020 to S\$0.4 million as at 31 October 2020 due to decrease in accrual for employee benefits as a result of a slowdown in business activities.

Current portion of interest-bearing loans and borrowings decreased by S\$1.8 million from S\$15.3 million as at 30 April 2020 to S\$13.5 million as at 31 October 2020 due to repayment of loans and lease liabilities. It was partially offset by disbursement of loans for working capital purposes.

Provision for reinstatement cost in relation to the asset held for sale of S\$0.3 million was reclassified to current liability due to a grant of option to purchase for the 11 Gul Drive property as explained above.

Non-current liabilities

As at 31 October 2020, non-current liabilities amounted to S\$25.1 million or 60.9% of total liabilities of S\$41.2 million. Non-current liabilities increased by S\$2.1 million from S\$23.0 million as at 30 April 2020 to S\$25.1 million as at 31 October 2020 due to reasons explained below.

Non-current portion of interest-bearing loans and borrowings increased by S\$2.5 million from S\$20.6 million as at 30 April 2020 to S\$23.0 million as at 31 October 2020 due to disbursement of loans for working capital purposes.

Deferred tax liabilities decreased by S\$0.1 million from S\$1.8 million as at 30 April 2020 to S\$1.7 million as at 31 October 2020.

Provision for reinstatement cost decreased by S\$0.3 million from S\$0.7 million as at 30 April 2020 to S\$0.4 million as at 31 October 2020 due to reclassification of liability pertaining to asset held for sale.



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Total equity

Total equity attributable to owners of the Company decreased by S\$1.0 million from S\$25.6 million as at 30 April 2020 to S\$24.7 million as at 31 October 2020 due mainly to net loss of S\$1.0 million in FY2021.

Review of the Group's statement of cash flows

In 1H2021, the Group generated net cash from operating activities before changes in working capital of S\$1.2 million. Net cash generated from working capital amounted to S\$0.8 million, due mainly to a decrease in trade and other receivables of S\$0.5 million and increase in trade and other payables of S\$0.3 million, partially offset by a decrease in accrued operating expenses of S\$0.1 million. The Group also paid interest expenses of S\$0.5 million. As a result, net cash generated from operating activities amounted to S\$1.6 million.

Net cash used in investing activities amounted to S\$0.1 million due mainly to purchase of new property, plant and equipment.

Net cash generated from financing activities amounted to S\$0.7 million mainly arising from the disbursement of loans from bank of S\$5.0 million, partially offset by the repayment of loans of S\$3.0 million and repayment of lease liabilities of S\$1.2 million.

As a result of the above, the Group's cash and cash equivalents increased by S\$2.0 million from S\$10.0 million as at 30 April 2020 to S\$12.0 million as at 31 October 2020.

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

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

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

The Group's utilisation rate of mobile cranes has declined substantially since April 2020 due to the COVID-19 pandemic. While the utilisation rate has seen some improvement since the end of the circuit breaker period, barring unforeseen circumstances, the Group expects the COVID-19 pandemic to continue adversely affecting the business. In the meantime, the Group will continue to focus on optimising cost and deployment of its fleet of mobile cranes and lorry cranes. The Group will also remain on the lookout for new business opportunities to grow its profitability.

11 Dividend

(a) Current Financial Period Reported On.

Any dividend declared for the current financial period reported on?

No.



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

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

No.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable

(d) Date payable.

Not applicable.

(e) Date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividends are determined.

Not applicable.

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

No dividend has been declared for 1H2021 as the Group is loss making.

13 If the group has obtained a general mandate from shareholders for Interested Person Transactions (the "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 Group has not obtained a general mandate from shareholders for interested person transactions. There was no interest person transaction of S\$100,000 or more in 1H2021.

14 Negative confirmation pursuant to Rule 705(5)

The Board hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the results for the six-month financial period ended 31 October 2020 of the Group and the Company to be false or misleading in any material aspect.

15 Confirmation of Procuring Undertakings from Directors and Executive Officers

The Group has procured undertakings from all its Directors and Executive Officers, in the format set out in Appendix 7H, pursuant to Rule 720(1) of the Catalist Rules.



(Company Registration No. 201414628C)

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2020

16 Use of proceeds from Rights cum Warrants Issue

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

Use of proceeds (S\$'000)	Amount allocated pursuant to the re-allocation	Amount utilised as at the date of this announcement	Balance of net proceeds as at the date of this announcement
Business expansion	132	132	-
General working capital ⁽¹⁾	3,673	1,522	2,151
Total	3,805	1,654	2,151

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

BY ORDER OF THE BOARD

Yap Chin Hock
Executive Director and Chief Executive Officer

Ng Chui Hwa
Executive Director

15 December 2020