



**VibroPower Corporation Limited
and its subsidiaries
Company Registration No. 200004436E**

**Condensed Interim Financial Statements
For the nine months and fifteen months ended 31 March 2022**

Tables of contents

A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	1
B. Condensed Interim Statements of Financial Position.....	4
C. Condensed Interim Consolidated Statements of Cash Flows.....	6
D. Condensed Interim Statement of Changes in Equity.....	7
E. Notes to the Condensed Interim Consolidated Financial Statements.....	8
F. Other Information Required by Listing Rule Appendix 7.2.....	16

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

		The Group			The Group		
		9 months ended 31 March 2022	9 months ended 31 March 2021	+ / (-)	15 months ended 31 March 2022 *	12 months ended 31 December 2020	+ / (-)
		S\$'000	S\$'000	(%)	S\$'000	S\$'000	(%)
Revenue	a	8,666	10,705	(19.0)	15,194	12,293	23.6
Cost of sales	b	(8,693)	(8,081)	7.6	(13,100)	(9,517)	37.6
Gross profit	c	(27)	2,624	NM	2,094	2,776	(24.6)
Other items of income							
Interest income		2	1	100.0	3	1	200.0
Other credits	d	96	199	(51.8)	153	281	(45.6)
Other income		143	199	(28.1)	143	175	(18.3)
Other items of expenses							
Marketing and distribution costs	e	(78)	(106)	(26.4)	(147)	(108)	36.1
Administrative expenses	e	(1,545)	(1,534)	0.7	(2,675)	(2,040)	31.1
Finance costs	f	(373)	(310)	20.3	(559)	(475)	17.7
Impairment losses on financial assets	g	(747)	(49)	1424.5	(996)	(12)	8200.0
Other charges	h	(947)	(236)	301.3	(1,038)	(176)	489.8
Other expenses		(130)	(180)	(27.8)	(130)	(158)	(17.7)
Share of results of an associate		(96)	(123)	(22.0)	(116)	(131)	(11.5)
(Loss)/profit before tax		(3,702)	485	NM	(3,268)	133	NM
Income tax (expense)/credit		(29)	(2)	1350.0	(55)	16	NM
(Loss)/profit net of tax		(3,731)	483	NM	(3,323)	149	NM
Other comprehensive income / (loss):							
<u>Items that may be reclassified to profit or loss in subsequent periods (net of tax)</u>							
Exchange differences on translating foreign operations (net)		125	(69)	NM	285	(33)	NM
Total comprehensive (loss)/income		(3,606)	414	NM	(3,038)	116	NM
(Loss) / profit attributable to:							
Owners of the Company		(3,730)	489	NM	(3,321)	156	NM
Non-controlling interests		(1)	(6)	(83.3)	(2)	(7)	(71.4)
		(3,731)	483	NM	(3,323)	149	NM
Total comprehensive (loss)/income attributable to:							
Owners of the Company		(3,571)	446	NM	(2,998)	124	NM
Non-controlling interests		(35)	(32)	9.4	(40)	(8)	400.0
		(3,606)	414	NM	(3,038)	116	NM
Earnings per share:							
Basic (cent) [A]					(4.51)	(0.27)	
Diluted (cent) [B]					(4.51)	(0.25)	

* The Company changed its financial year end from 31 December to 31 March (please refer to the announcement dated 30 December 2021). The financial period is now covering a 15-month period from 1 January 2021 to 31 March 2022.

[A] Basic earnings per share is calculated on the basis of consolidated loss after tax attributable to equity holders of the Company of S\$3,321,000 (31 December 2020: profit of S\$156,000) and on 73,696,114 (31 December 2020: 57,409,778) weighted average ordinary shares in issue during the period under review.

[B] Diluted earnings per share is calculated on the basis of consolidated loss after tax attributable to equity holders of the Company of S\$3,321,000 (31 December 2020: profit of S\$156,000) and on 73,696,114 (31 December 2020: 61,204,375) weighted average ordinary shares in issue during the period under review.

Earnings per ordinary share for the 9 months ended 31 March 2022 and 31 March 2021 are calculated based on the number of issued of ordinary shares (excluding treasury shares) of 73,696,114.

Explanatory Notes to the Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		+/(-) (%)	Group		+/(-) (%)
	9 months ended 31 March 2022 S\$'000	9 months ended 31 March 2021 S\$'000		15 months ended 31 March 2022 S\$'000	12 months ended 31 December 2020 S\$'000	
<u>Other Credits and (Other Charges)</u>						
Foreign exchange gain/(losses) – Net	68	(151)	NM	35	7	400.0
Provision of allowance for slow moving inventories	(952)	(126)	655.6	(1,038)	(176)	489.8
(Provision)/reversal for product warranty expense	5	(1)	NM	–	6	(100.0)
Government subsidies	23	213	(89.2)	113	240	(52.9)
Others	5	28	(82.1)	5	28	(82.1)
Net	(851)	(37)	2200.0	(885)	105	NM
<u>Presented in Profit or Loss as:</u>						
Other Credits	96	199	(51.8)	153	281	(45.6)
Other Charges	(947)	(236)	301.3	(1,038)	(176)	489.8
Net	(851)	(37)	2200.0	(885)	105	NM
<u>Other income</u>						
Construction revenue	–	23	(100.0)	–	23	(100.0)
Management fee income	143	176	(18.8)	143	152	(5.9)
	143	199	(28.1)	143	175	(18.3)
<u>Other expenses</u>						
Construction cost	–	(20)	(100.0)	–	(20)	(100.0)
Engineering cost	(130)	(160)	(18.8)	(130)	(138)	(5.8)
	(130)	(180)	(27.8)	(130)	(158)	(17.7)
<u>Reversal/(Impairment) of losses on financial assets</u>						
Provision for expected credit losses on trade receivables	(811)	(178)	355.6	(1,060)	(141)	(651.8)
Reversal of expected credit losses on trade receivables	56	129	(56.6)	56	129	(56.6)
Provision for expected credit losses on other receivables	–	–	NM	–	–	NM
Reversal of expected credit losses on other receivables	8	–	NM	8	–	NM
	(747)	(49)	1424.5	(996)	(12)	8200.0

- a. Increase in revenue was mainly due to higher electricity revenue generated from the power plant segment for the financial period ended 31 March 2022.
- b. Increase in cost of sales was mainly due to the following:
 - (i) An increase in prices of materials
 - (ii) An increase in labour costs
 - (iii) Costs incurred for projects with a customer in the liquidation process
- c. Decrease in gross profit margin was mainly due to lower margin from Project segment due to higher cost of sales.
- d. Decrease in other credits was mainly due to there are more Government subsidies received for the period ended 31 December 2020.
- e. Increase in marketing and distribution cost and administrative expenses was mainly due to 15 months period of expenses incurred during the financial period ended 31 March 2022.
- f. Finance cost is averagely lower due to a reduction in bank borrowings over the financial period ended 31 March 2022.
- g. Increase in impairment loss on financial assets was mainly due to provision for expected credit losses on trade receivables for a customer that is in the liquidation process.
- h. Increase in other charges was mainly due to an increase in provision for slow-moving inventories for the financial period ended 31 March 2022.

B. Condensed Interim Statements of Financial Position

		The Group		The Company	
	Notes	31 March 2022	31 December 2020	31 March 2022	31 December 2020
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
<u>Non-current assets:</u>					
Property, plant and equipment	a	6,919	6,689	—	—
Investment property		3,049	3,116	—	—
Right-of-use assets		976	1,150	—	—
Investments in subsidiaries		—	—	14,914	14,914
Investments in an associate		565	665	—	—
Deferred tax assets		—	19	—	—
Trade and other receivables		—	22	—	—
Total non-current assets		11,509	11,661	14,914	14,914
<u>Current assets:</u>					
Inventories	b	2,340	2,570	—	—
Trade and other receivables		10,454	10,364	3,397	3,786
Contract assets		2,500	2,290	—	—
Other assets		542	608	21	5
Cash and cash equivalents	c	915	3,417	21	35
Total current assets		16,751	19,249	3,439	3,826
Total assets		28,260	30,910	18,353	18,740
EQUITY AND LIABILITIES					
<u>Equity:</u>					
Share Capital		19,084	19,084	19,084	19,084
Treasury shares		(388)	(388)	(388)	(388)
Accumulated losses		(3,612)	(291)	(714)	(355)
Reserves		(424)	(747)	—	—
Equity attributable to equity holders of the Company		14,660	17,658	17,982	18,341
Non-controlling interests		1,643	1,683	—	—
Total equity		16,303	19,341	17,982	18,341
<u>Non-current liabilities:</u>					
Loans and borrowings	d	3,819	3,793	—	—
Lease liabilities		485	559	—	—
Total non-current liabilities		4,304	4,352	—	—
<u>Current liabilities:</u>					
Provisions		11	8	—	—
Income tax payable		119	119	—	—
Payables and accruals	e	4,300	3,224	371	399
Loans and borrowings	d	2,137	3,562	—	—
Lease liabilities		24	29	—	—
Other liabilities	f	1,062	275	—	—
Total current liabilities		7,653	7,217	371	399
Total liabilities		11,957	11,569	371	399
Total equity and liabilities		28,260	30,910	18,353	18,740

Explanatory Notes to the Condensed Interim Statements of Financial Position

- a. The increase in property, plant and equipment was mainly due to additional capital expenditure incurred for the coal mine methane power plant in China.
- b. The decrease in inventories was mainly due to inventories sold during the financial period and write down of slow-moving inventories.
- c. The movement in cash and cash equivalents are disclosed in the Consolidated Statements of Cash Flow on page 6 of this announcement.
- d. Decrease in loans and borrowings were mainly due to repayment of borrowings during the period.
- e. Payables and accruals increased mainly due to purchases for the projects to be delivered in the next financial year.
- f. The increase in other liabilities was due to deposits received from customers for the projects secured during the period.

C. Condensed Interim Consolidated Statements of Cash Flows

	The Group	
	15 months ended 31 March 2022 S\$'000	12 months ended 31 December 2020 S\$'000
Cash flows from operating activities		
(Loss)/profit before tax	(3,268)	133
Adjustments for:		
Interest income	(3)	(1)
Finance costs	559	475
Depreciation of property, plant and equipment	931	654
Depreciation of right-of-use assets	167	138
Currency translation differences	(17)	(195)
Provision/(reversal) for product warranty expense	—	(6)
Provision of allowance for slow moving inventories	1,038	176
Provision for expected credit losses on trade receivables (net)	1,004	12
Provision for expected credit losses on other receivables (net)	(8)	—
Share of results of an associate	116	131
Operating cash flows before changes in working capital	519	1,517
<u>Changes in working capital</u>		
(Increase)/decrease in inventories	(751)	3,753
Increase in trade and other receivables	(1,039)	(3,762)
Increase in contract assets	(152)	(1,397)
Decrease in other assets	82	476
Increase/(decrease) in payables and accruals	960	(1,779)
Increase in other liabilities	624	21
Net cash flows from/(used in) operations	243	(1,171)
Income taxes (paid)/refund	(36)	5
Interest received	3	1
Interest paid	(506)	(395)
Net cash flows used in operating activities (a)	(296)	(1,560)
Cash flows from investing activities		
Purchase of property, plant and equipment	(794)	(452)
Net cash flows used in investing activities (b)	(794)	(452)
Cash flows from financing activities		
Proceeds from Rights cum Warrants Issue	—	1,536
Proceeds from share placement	—	1,199
Proceeds from exercise of warrants pursuant to Rights cum Warrants Issue	—	1,027
Proceeds from loans and borrowings	6,036	8,423
Repayment of loans and borrowings	(7,436)	(7,974)
Repayment of principal portion of lease liabilities	(35)	(105)
Net cash flows (used in)/from financing activities (c)	(1,435)	4,106
Net (decrease)/increase in cash and cash equivalents	(2,525)	2,094
Effects of exchange rate changes on cash and cash equivalents	23	(19)
Cash and cash equivalents, Statement of Cash Flows, Beginning Balances	3,417	1,342
Cash and cash equivalents, Statement of Cash Flows, Ending Balances	915	3,417

Explanatory Notes to the Condensed Interim Statements of Cash Flows

The Group's cash and cash equivalents decreased by S\$2.5 million from S\$3.4 million as of 31 December 2020 to S\$0.9 million as of 31 March 2022. This was mainly due to use of cash flow for operating activities of S\$0.3 million, purchase of plant and equipment of S\$0.8 million and repayment of loans and borrowings of S\$1.4 million.

D. Condensed Interim Statements of Changes in Equity

The Group	Share capital S\$'000	Treasury Shares S\$'000	Other Reserves S\$'000	Retained Earnings S\$'000	Total S\$'000	Non-Controlling Interests S\$'000	Total Equity S\$'000
Balance at 1 January 2021	19,084	(388)	(747)	(291)	17,658	1,683	19,341
Total comprehensive loss for the period	—	—	323	(3,321)	(2,998)	(40)	(3,038)
Balance at 31 March 2022	19,084	(388)	(424)	(3,612)	14,660	1,643	16,303
(a)							
Balance at 1 January 2020	15,322	(388)	(715)	(447)	13,772	1,691	15,463
Issuance of ordinary shares pursuant to Rights cum Warrants Issue	1,536	—	—	—	1,536	—	1,536
Issuance of ordinary shares pursuant to share placement	1,199	—	—	—	1,199	—	1,199
Issuance of ordinary shares on exercise of warrants pursuant to Rights cum Warrants Issue	1,027	—	—	—	1,027	—	1,027
Total Comprehensive Income for the Year	—	—	(32)	156	124	(8)	116
Balance at 31 December 2020	19,084	(388)	(747)	(291)	17,658	1,683	19,341
(a)							

(a) Unrealised and not available for distribution as cash dividends.

The Company	Share Capital S\$'000	Treasury Shares S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
Balance at 1 January 2021	19,084	(388)	(355)	18,341
Total comprehensive loss for the period	—	—	(359)	(359)
Balance at 31 March 2022	19,084	(388)	(714)	17,982
Balance at 1 January 2020	15,322	(388)	(148)	14,786
Issuance of ordinary shares pursuant to Rights cum Warrants Issue	1,536	—	—	1,536
Issuance of ordinary shares pursuant to share placement	1,199	—	—	1,199
Issuance of ordinary shares on exercise of warrants pursuant to Rights cum Warrants Issue	1,027	—	—	1,027
Total comprehensive loss for the period	—	—	(207)	(207)
Balance at 31 December 2020	19,084	(388)	(355)	18,341

E. Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 11 Tuas Avenue 16, Singapore 638929.

The principal activities of the Group are:

- (a) supply, installation, commissioning and servicing of generators, parts and accessories
- (b) development, operations and management of power generators projects

2. Basis of Preparation

The condensed interim financial statements for the fifteen months ended 31 March 2022 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 financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

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 up in Note 2.1

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and Amended standards adopted by the Group

The adoption of the various new/revised SFRS(I) effective for the financial period beginning on 1 January 2021 does not have a material financial effect on the Group and the Company.

2.2 Use of judgments and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. 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. Information about judgement, assumptions and estimation uncertainties that could require a material adjustment on the amounts recognised in the financial statements is included in the following notes:

(a) Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices. Management has assessed that prices are mainly denominated and settled in the respective local currency of the entities of the Group. In addition, most of the entities' cost base is mainly denominated in their respective local currency. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

(b) Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to

market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may not be representative of the customer's actual default in the future.

Net realisable value of inventories

A review is made periodically on inventory for excess inventory, obsolescence and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. These reviews require management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the most acceptable evidence available at the end of the financial year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the financial year. Possible changes in these estimates could result in revisions to the stated value of the inventories.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available.

3. Seasonal operations

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

4. Segment and revenue information

The group is organized into the following main business segments:

- Segment 1: Projects (supplying generators)
- Segment 2: Power plant (supplying electricity) and
- Segment 3: Others

4.1. Reportable segments

(a) Segment information by business described above is presented below:

	Projects		Power Plant		Others		Adjustment and elimination		Total	
	15 months ended 31 March 2022	12 months ended 31 December 2020	15 months ended 31 March 2022	12 months ended 31 December 2020	15 months ended 31 March 2022	12 months ended 31 December 2020	15 months ended 31 March 2022	12 months ended 31 December 2020	15 months ended 31 March 2022	12 months ended 31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue by segments										
External parties	11,566	10,862	3,628	1,431	-	-	-	-	15,194	12,293
Inter-segment	7,656	7,608	-	-	-	-	(7,656)	(7,608)	-	-
Total revenue	19,222	18,470	3,628	1,431	-	-	(7,656)	(7,608)	15,194	12,293
Interest income	-	1	3	-	182	180	(182)	(180)	3	1
Finance expenses	(583)	(472)	(39)	(44)	-	-	63	41	(559)	(475)
Depreciation	(478)	(395)	(620)	(397)	-	-	-	-	(1,098)	(792)
Impairment losses on financial assets	(996)	(12)	-	-	-	-	-	-	(996)	(12)
Share of loss of associated company	-	-	(116)	(131)	-	-	-	-	(116)	(131)
Segment (loss)/profit before tax	(3,984)	(132)	987	708	(263)	(219)	(8)	(224)	(3,268)	133
Addition of non-current assets	92	477	702	582	-	-	-	-	794	1,059
Non-current assets	1,815	2,039	5,104	4,650	3,049	3,116	-	-	9,968	9,805
Segment assets	36,791	41,894	8,529	7,793	18,899	19,298	(35,959)	(38,075)	28,260	30,910
Segment liabilities	28,971	30,354	4,131	4,706	576	605	(21,721)	(24,096)	11,957	11,569

	Projects		Power Plant		Others		Adjustment and elimination		Total	
	9 months ended 31 March 2022 S\$'000	9 months ended 31 March 2021 S\$'000	9 months ended 31 March 2022 S\$'000	9 months ended 31 March 2021 S\$'000	9 months ended 31 March 2022 S\$'000	9 months ended 31 March 2021 S\$'000	9 months ended 31 March 2022 S\$'000	9 months ended 31 March 2021 S\$'000	9 months ended 31 March 2022 S\$'000	9 months ended 31 March 2021 S\$'000
Revenue by segments										
External parties	6,715	8,764	1,951	1,941	-	-	-	-	8,666	10,705
Inter-segment	5,648	5,704	-	-	-	-	(5,648)	(5,704)	-	-
Total revenue	12,363	14,468	1,951	1,941	-	-	(5,648)	(5,704)	8,666	10,705
Interest income	-	1	2	-	100	157	(100)	(157)	2	1
Finance expenses	(387)	(333)	(24)	(30)	-	-	38	53	(373)	(310)
Depreciation	(276)	(153)	(393)	(490)	-	-	-	-	(669)	(643)
Impairment losses on financial assets	(747)	(49)	-	-	-	-	-	-	(747)	(49)
Share of loss of associated company	-	-	(96)	(123)	-	-	-	-	(96)	(123)
Segment (loss)/profit before tax	(3,924)	(106)	292	954	(144)	(175)	74	(188)	(3,702)	485
Addition of non-current assets	92	451	512	658	-	-	-	-	604	1,109
Non-current assets	1,815	1,998	5,104	4,752	3,049	3,068	-	-	9,968	9,818
Segment assets	36,791	38,880	8,529	7,876	18,999	18,898	(35,959)	(36,611)	28,260	29,043
Segment liabilities	28,971	28,362	4,131	4,631	576	270	(21,721)	(22,444)	11,957	10,189

(b) Segment information of these geographical areas described above presented below:

	The Group			
	9 months ended 31 March 2022	9 months ended 31 March 2021	15 months ended 31 March 2022	12 months ended 31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue				
Singapore	6,241	8,107	9,958	9,935
Asia (excluding Singapore)	2,425	2,598	5,236	2,358
	8,666	10,705	15,194	12,293

	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Singapore	1,813	1,995	1,813	2,036
Asia (excluding Singapore)	8,155	7,823	8,155	7,769
	<u>9,968</u>	<u>9,818</u>	<u>9,968</u>	<u>9,805</u>

4.2. Disaggregation of Revenue

	The Group			
	9 months ended 31 March 2022	9 months ended 31 March 2021	15 months ended 31 March 2022	12 months ended 31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Major Product or service lines				
Sales of generators	6,503	8,638	11,168	10,695
Electricity supply	1,908	1,941	3,628	1,431
Rendering of services	17	107	160	167
Rental income	238	19	238	–
	<u>8,666</u>	<u>10,705</u>	<u>15,194</u>	<u>12,293</u>
Timing of transfer of goods or services				
At a point in time	2,272	2,223	4,190	1,781
Over time	6,394	8,482	11,004	10,512
	<u>8,666</u>	<u>10,705</u>	<u>15,194</u>	<u>12,293</u>

A breakdown of sales as follows:

	Group		
	15 months ended 31 March 2022	12 months ended 31 December 2020	Increase/ (Decrease) (%)
	S\$'000	S\$'000	
Sales reported for first 6 months	6,528	2,768	135.8
Profit/(loss) after tax for first 6 months	408	(1,573)	NM
Sales reported for remaining period	8,666	9,525	(9.0)
(Loss)/profit after tax for remaining period	(3,731)	1,722	NM

NM – denotes not meaningful

5. Profit before taxation

5.1 Significant items:

	Group				Group		
	9 months ended 31 March 2022	9 months ended 31 March 2021	+/(–)		15 months ended 31 March 2022	12 months ended 31 December 2020	+/(–)
	S\$'000	S\$'000	(%)		S\$'000	S\$'000	(%)
Profit after tax is arrived at after charging/(crediting) the following:							
Employees benefit expenses	1,886	1,377	37.0		3,074	1,809	69.9
Depreciation of property, plant and equipment	569	540	5.4		931	654	42.4
Depreciation of right-of-use assets	100	103	(2.9)		167	138	21.0
Inventories recognized as an expense in cost of sales	6,387	6,576	(2.9)		9,485	7,662	23.8

5.2 Related party transactions:

There are no material related party transactions apart those disclosed elsewhere in the financial statements and other information required under listing manual.

6. 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:

	The Group			
	9 months ended 31 March 2022	9 months ended 31 Mar 2022	15 months ended 31 March 2022	12 months ended 31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax (expense)/credit	(10)	(13)	(36)	5
Deferred income tax expense relating to origination and reversal of temporary differences	(19)	11	(19)	11
Income tax (expense)/credit recognized in profit or loss	(29)	(2)	(55)	16

7. Net Asset Value

	The Group		The Company	
	31 March 2022 Cents	31 December 2020 Cents	31 March 2022 Cents	31 December 2020 Cents
Net Asset Value per Ordinary Share based on issued Share Capital at the end of the year	19.89	23.96	24.40	24.89

The Group's net asset per ordinary share is calculated based on net assets attributable to equity holders of the Company of S\$14,660,000 (31 December 2020: S\$17,658,000) and the share capital of 73,696,114 (31 December 2020: 73,696,114) ordinary shares.

The Company's net asset per ordinary share is calculated based on net assets of S\$17,982,000 (31 December 20: S\$18,341,000) and the share capital of 73,696,114 (31 December 20: 73,696,114) ordinary shares.

8. Property, plant and equipment

During the financial period ended 31 March 2022, the Group acquired assets amounting to \$794,000 (31 December 2020: \$452,000).

9. Investment property

The Investment property pertains to a freehold land held by a subsidiary. The land is located in Kluang, Malaysia.

9. Investment property (Con't)

	31 March 2022	31 December 2020
	\$'000	\$'000
Group Cost		
At 1 January	3,116	3,116
Currency translation differences	(67)	–
End of interim period	<u>3,049</u>	<u>3,116</u>
Net book value		
At 31 March 2022 and 31 December 2020 respectively	<u>3,049</u>	<u>3,116</u>

Valuation of investment property

Independent professional valuation of the Group's investment property has been performed annually by an independent valuer with appropriate recognised professional qualifications and recent experience with the location and category of the property being valued. The valuer has considered the direct comparison method for comparative properties in deriving the valuation of \$3,992,774 as at 31 December 2020, net of lease payments.

Key inputs used in the valuations are the estimated annual net rent, internal rate of return and comparable sales in the area. The outbreak of COVID-19 has resulted in market uncertainty and volatility, and accordingly the valuation of investment property may fluctuate more rapidly and significantly subsequent to valuation date as compared to normal market conditions.

The fair value of the investment property is within level 3 of the fair value hierarchy.

10. Loans and borrowings

	The Group		The Company	
	31 March 2022	31 December 2020	31 March 2022	31 December 2020
	S\$'000	S\$'000	S\$'000	S\$'000
Amount payable within one year or on demand				
Secured	452	2,065	–	–
Unsecured	1,685	1,497	–	–
	<u>2,137</u>	<u>3,562</u>	<u>–</u>	<u>–</u>
Amount payable after one year				
Secured	1,726	1,980	–	–
Unsecured	2,093	1,813	–	–
	<u>3,819</u>	<u>3,793</u>	<u>–</u>	<u>–</u>
Total loans and borrowings	<u>5,956</u>	<u>7,355</u>	<u>–</u>	<u>–</u>

The bank borrowings of the Group are secured over a certain property of the Group.

11. Share capital

	The Group and the Company			
	15 months ended 31 March 2022		12 months ended 31 December 2020	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning of interim period	73,696	19,084	35,951	15,322
Issuance of ordinary shares pursuant to Rights cum Warrants Issue	–	–	17,975	1,536
Issuance of ordinary shares pursuant to share placement	–	–	9,500	1,199
Issuance of ordinary shares on exercise of warrants pursuant to Rights cum Warrants Issue	–	–	10,270	1,027
End of interim period	73,696	19,084	73,696	19,084

The total number of issued shares excluding treasury shares as at 31 March 2022 was 73,696,114 (31 December 2020: 73,696,114)

(a) Treasury shares

	The Group and the Company			
	15 months ended 31 March 2022		12 months ended 31 December 2020	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning of interim period	(1,077)	(388)	(1,077)	(388)
End of interim period	(1,077)	(388)	(1,077)	(388)

(b) Subsidiary holdings

The Company's subsidiaries do not hold any shares in the Company as of 31 March 2022 and 31 December 2020.

12. Subsequent events

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

Other Information Required by Listing Rule Appendix 7.2

1. **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 auditors.

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.**

The Group revenue increased by 23.6% to S\$15.2 million for the financial period ended 31 March 2022 mainly due to higher revenue contributed by the power plant segment. The cost of sales increased by 37.6% to S\$13.1 million due mainly to an increase in the price of materials and labour costs in the manufacturing of generators. Gross profit margin was adversely affected by unrecoverable costs incurred for the projects where a customer is in liquidation.

Marketing and distribution costs and administrative expenses increased by 36.1% to S\$0.15 million and 31.1% to S\$2.68 million respectively. This was due mainly to expenses incurred over a period of 15 months during the financial period 31 March 2022.

The average finance cost was lower for the 15 months period due to a reduction in bank borrowings over the financial period ended 31 March 2022.

Increase in impairment loss on financial assets was due mainly to the provision for trade receivables for a customer in liquidation.

Increase in other charges was mainly due to an increase in provision for slow-moving inventories for the period ended 31 March 2022.

The Group registered a net loss after tax of S\$3.3 million for the financial period ended 31 March 2022.

3. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results include a discussion of the following:-**

Not applicable.

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 financial period and the next 12 months.**

While the construction demand appears to be rebounding from the lows in 2020, however, the Group continues to anticipate challenges in the next financial year.

With the conflict between Ukraine and Russia and on-going restrictions in some countries due to COVID-19, the Group anticipates that it will continue to face increasing manufacturing and material costs.

The Group will, in pricing and tendering for projects, take into account the current volatility in prices and delivery times for materials as well as increased logistic costs and energy costs. The Group will continue to pursue and secure high margin projects to maintain a healthy order book as well as adopt a comprehensive view of customers' risks.

The Group will continue to evaluate its upgrading plans for its power plants given the current volatile global economic environment.

5. Dividend

(a) Current Financial Period reported on

None.

(b) Corresponding Period of the immediately Preceding Financial Year

None.

(c) Date payable

Not applicable.

(d) Book Closure Date

Not applicable.

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

No dividend has been declared or recommended during the period under review. In view of the challenging environment, the board considers it prudent to reserve fund for working capital purposes.

7. If the Group has obtained a general mandate from 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.-

Nature of relationship	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Mason Industries Pte Ltd	Note 1	–	3,036,000
Vibro Holdings Pte Ltd	Note 2	–	245,000

Note 1. 95.5% of the issued and paid-up share capital of Mason Industries Pte Ltd is held by Mr Chen Siew Meng, who is the brother of Mr Benedict Chen Onn Meng, a Director and Controlling Shareholder of the Company.

Note 2. 100% of the issued and paid-up share capital of Vibro Holdings is held by Mr Chen Siew Meng, who is the brother of Mr Benedict Chen Onn Meng, a Director and Controlling Shareholder of the Company.

8. Confirmation that the Issuer has procured undertakings from its directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1)).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder.

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

10. Disclosures on Incorporation of entities, Acquisition and Realisation of Shares pursuant to Rule 706A of the SGX-ST Listing Manual.

Application to strike off Indamex (F.E) Pte. Ltd. ("Indamex"), a wholly-owned subsidiary of GMTM Holdings Pte Ltd which in turn is a wholly-owned subsidiary of the Company, has submitted an application to the Accounting and Corporate Regulatory Authority ("ACRA") Singapore on 31 March 2022 to strike its name off the Register of the Companies pursuant to Section 344A of the Companies Act 1967 of Singapore ("Striking-Off").

The Striking-Off is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 March 2023.

BY ORDER OF THE BOARD

Benedict Chen Onn Meng
Chief Executive Officer

25 May 2022