

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS

Issuer & Securities

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CSC HOLDINGS LIMITED

Securities

CSC HOLDINGS LTD - SG1F84861094 - C06

Stapled Security

No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date & Time of Broadcast

28-May-2021 17:21:06

Status

New

Announcement Sub Title

Full Yearly Results

Announcement Reference

SG210528OTHROJV9

Submitted By (Co./ Ind. Name)

See Yen Tarn

Designation

Director & Chief Executive Officer

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Financial Statements Announcement for the 12 Months Ended 31 March 2021

Additional Details

For Financial Period Ended

31/03/2021

Attachments

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Total size =776K MB



CSC HOLDINGS LIMITED

(Company Registration Number: 199707845E)

Financial Statements Announcement
for the 12 Months Ended 31 March 2021

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Review of the Performance of the Group

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

2HFY21 – for the 6 months ended 31 March 2021
 1HFY21 – for the 6 months ended 30 September 2020
 2HFY20 – for the 6 months ended 31 March 2020
 FY21 – for the 12 months ended 31 March 2021
 FY20 – for the 12 months ended 31 March 2020

Review of Results for the 12 Months Ended 31 March 2021

	2HFY21 \$'000	1HFY21 \$'000	Change %	2HFY20 \$'000	Change %	FY21 \$'000	FY20 \$'000	Change %
Revenue	125,522	52,811	>100.0	172,362	(27.2)	178,333	342,789	(48.0)
Cost of Sales	(109,942)	(65,669)	67.4	(148,661)	(26.0)	(175,611)	(298,634)	(41.2)
Gross Profit/(Loss) before Government Assistancess	15,580	(12,858)	N.M.	23,701	(34.3)	2,722	44,155	(93.8)
<i>Gross Profit/(Loss) Margins</i>	12.4%	-24.3%		13.8%		1.5%	12.9%	
Government Assistancess	1,740	6,406	(72.8)	-	N.M.	8,146	-	N.M.
Gross Profit/(Loss)	17,320	(6,452)	N.M.	23,701	(26.9)	10,868	44,155	(75.4)
<i>Gross Profit/(Loss) Margins</i>	13.8%	-12.2%		13.8%		6.1%	12.9%	
Other Income	549	3,314	(83.4)	983	(44.2)	3,863	2,223	73.8
Operating Expenses	(15,952)	(12,170)	31.1	(18,367)	(13.1)	(28,122)	(34,220)	(17.8)
Government Assistancess	(52)	2,566	N.M.	-	N.M.	2,514	-	N.M.
Profit/(Loss) from Operating Activities	1,865	(12,742)	N.M.	6,317	(70.5)	(10,877)	12,158	N.M.
Net Finance Expenses	(290)	(876)	(66.9)	(1,694)	(82.9)	(1,166)	(3,542)	(67.1)
Share of Loss of Associates	(219)	(98)	>100.0	(74)	>100.0	(317)	(156)	>100.0
Profit/(Loss) before Tax	1,356	(13,716)	N.M.	4,549	(70.2)	(12,360)	8,460	N.M.
Tax Credit/(Expense)	364	(367)	N.M.	(487)	N.M.	(3)	(1,146)	(99.7)
Profit/(Loss) for the period/year	1,720	(14,083)	N.M.	4,062	(57.7)	(12,363)	7,314	N.M.
EBITDA	14,965	137	>100.0	20,162	(25.8)	15,102	40,766	(63.0)

Revenue

The Group recorded a 48.0% decline in full-year revenue of \$178.3 million for FY21, compared to \$342.8 million in FY20.

The Group's operations were affected in 1HFY21 by the stoppages of construction activities due to the imposition of the Circuit Breaker ("CB") in Singapore from 6 April 2020 to 1 June 2020, and Movement Control Order ("MCO") in Malaysia from 18 March 2020 to 3 May 2020.

On the back of resumption of activities at the Group's project sites in 2HFY21, revenue for 2HFY21 more than doubled to \$125.5 million, from \$52.8 million in 1HFY21.

Nevertheless, the pace of work resumption was slow and gradual, resulting in lower overall productivity compared to the pre-CB/MCO period due to a shortage of manpower and safe management measures imposed by the relevant government authorities. The MCO 2.0 in Malaysia from 13 January 2021 to 4 March 2021 also affected the activity levels in the last financial quarter of FY21.

Gross Profit/(Loss) and Gross Profit/(Loss) Margins

In line with the significantly reduced activities year-on-year as well as costs associated with the implementation of safe-management practices at the various project sites, the Group recorded lower gross profit of \$10.9 million (FY20: \$44.2 million) and gross profit margin of 6.1% in FY21 (FY20: 12.9%).

This took into account the turnaround in performance that yielded a gross profit of \$17.3 million and gross profit margin of 13.8% in 2HFY21, compared to a gross loss of \$6.5 million recorded in 1HFY21.

The disruption in the global supply chain, along with shortages of key construction materials and manpower, had adversely affected the construction activities. Additional costs were also incurred to comply with safety and other pandemic control measures required. Such cost impact was mitigated by negotiations initiated by the management with suppliers and business partners for reduced rental charges during CB/MCO period and locked-in prices for key construction materials.

The Group received \$8.1 million and \$1.7 million of COVID-19 support grants from the Singapore government in FY21 and 2HFY21 respectively, mainly through the Jobs Support Scheme and foreign workers' levy rebates.

Other Income

	2HFY21 \$'000	1HFY21 \$'000	Change %	2HFY20 \$'000	Change %	FY21 \$'000	FY20 \$'000	Change %
Gain/(Loss) on Disposal of:								
- Property, Plant & Equipment	151	250	(39.6)	355	(57.5)	401	993	(59.6)
- Assets Held for Sale								
- Leasehold property, 2TPC	-	2,818	N.M.	-	-	2,818	-	N.M.
- Property, Plant & Equipment	-	(39)	N.M.	-	-	(39)	259	N.M.
	151	3,029	(95.0)	355	(57.5)	3,180	1,252	>100.0
Other Miscellaneous Income	398	285	39.6	628	(36.6)	683	971	(29.7)
Other Income	549	3,314	(83.4)	983	(44.2)	3,863	2,223	73.8

The Group recorded higher other income of \$3.9 million for FY21 (FY20: \$2.2 million). This took into account the \$2.8 million gain from the disposal of leasehold property located at No 2, Tanjong Penjuru Crescent ("2TPC") to a joint venture with LOGOS group in 1HFY21.

Other income for 2HFY21 was lower at \$0.5 million compared to \$1.0 million in 2HFY20 and \$3.3 million in 1HFY21, mainly due to a smaller gain from the disposal of old equipment and leasehold property in 2HFY21.

Operating Expenses

	2HFY21 \$'000	1HFY21 \$'000	Change %	2HFY20 \$'000	Change %	FY21 \$'000	FY20 \$'000	Change %
Other Operating Expenses	12,304	11,865	3.7	13,620	(9.7)	24,169	28,350	(14.7)
a) Change in Fair Value of Other Investment	-	-	-	-	-	-	240	N.M.
b) Expected Credit Losses Recognised/ (Reversed) on Trade and Other Receivables and Contract Assets	275	(37)	N.M.	96	>100.0	238	(109)	N.M.
c) Impairment Losses Recognised/ (Reversed) on Trade and Other Receivables and Contract Assets	2,117	(2)	N.M.	3,781	(44.0)	2,115	4,330	(51.2)
d) Impairment Losses/Write-Down of Other Assets	491	332	47.9	47	>100.0	823	815	1.0
e) Exchange Loss	765	12	>100.0	823	(7.0)	777	594	30.8
Operating Expenses	15,952	12,170	31.1	18,367	(13.1)	28,122	34,220	(17.8)
Government Assistances	52	(2,566)	N.M.	-	N.M.	(2,514)	-	N.M.
Operating Expenses (Net of Government Assistances) *	16,004	9,604	66.6	18,367	(12.9)	25,608	34,220	(25.2)

* Comprises of Distribution Expenses, Administrative Expenses and Other Operating Expenses.

Other operating expenses for FY21 and 2HFY21 declined by 14.7% and 9.7% to \$24.2 million (FY20: \$28.4 million) and \$12.3 million (2HFY20: \$13.6 million) respectively, as the Group implemented a series of cost management measures, such as salary reduction for middle and senior level employees and mandatory clearance of annual leave across the board. Standing in solidarity with the Company, members of the Board also took a voluntary reduction in their directors' fees.

The Group recorded an exchange loss of \$0.8 million for FY21 and 2HFY21 (FY20: \$0.6 million; 2HFY20: \$0.8 million). The higher exchange loss was mainly due to the weakening of local currencies in the countries of which the Group operates, especially Hong Kong and Malaysia. In addition, the strengthening of Chinese Renminbi against Singapore Dollar also led to the higher realised exchange loss arising from payments to China suppliers in FY21.

The \$2.5 million COVID-19 support grants from Singapore government, mainly through the Jobs Support Scheme and foreign workers' levy rebates, also helped to defray the operating expenses incurred in FY21.

Compared to 1HFY21, other operating expenses increased by 3.7% in view of the higher business activities in 2HFY21.

Net Finance Expenses

	2HFY21 \$'000	1HFY21 \$'000	Change %	2HFY20 \$'000	Change %	FY21 \$'000	FY20 \$'000	Change %
Interest Income	148	69	>100.0	86	72.1	217	188	15.4
Interest Expenses	(1,311)	(1,553)	(15.6)	(2,200)	(40.4)	(2,864)	(4,475)	(36.0)
Net Interest Expenses	(1,163)	(1,484)	(21.6)	(2,114)	(45.0)	(2,647)	(4,287)	(38.3)
Imputed Interest on Non- Current Assets	994	809	22.9	813	22.3	1,803	1,402	28.6
Interest Expenses on Lease Liabilities	(121)	(201)	(39.8)	(393)	(69.2)	(322)	(657)	(51.0)
Net Finance Expenses	(290)	(876)	(66.9)	(1,694)	(82.9)	(1,166)	(3,542)	(67.1)

Net interest expenses were lower at \$2.6 million for FY21 (FY20: \$4.3 million) and \$1.2 million for 2HFY21 (2HYFY20: \$2.1 million), mainly due to a reduction in overall borrowings as a result of net repayment of debt during the financial year. The lower interest rates charged by financial institutions during the periods also contributed to the decrease in net interest expenses.

Profit/(Loss) for the period/year

The Group recorded net profit before tax of \$1.4 million in 2HFY21, a turnaround from a loss before tax of \$13.7 million in 1HFY21 with a positive earnings before interest, tax, depreciation and amortization (EBITDA) of \$15.0 million (1HFY21: \$0.1 million).

Year-on-year, net loss before tax was \$12.4 million for FY21 as compared to a net profit of \$8.5 million for FY20 due to lower level of business activities in 1HFY21. EBITDA remained positive at \$15.1 million in FY21 (FY20: \$40.8 million).

Earnings per share for 2HFY21 was 0.07 cent (1HFY21: loss per share of 0.50 cent). Loss per share for FY21 was 0.37 cent (FY20: earnings per share of 0.23 cent).

STATEMENT OF FINANCIAL POSITION

Non-Current Assets

Property, Plant and Equipment

Net book value of property, plant and equipment as at 31 March 2021 was \$125.0 million (31 March 2020: \$132.5 million).

In FY21, the Group took delivery of \$8.4 million worth of new plant and equipment as part of our fleet renewal plan. In addition, inventories amounting to \$7.2 million were capitalised as property, plant and equipment following the reassessment of the economic uses of these inventories. The Group disposed of plant and equipment with carrying values of \$0.5 million and recorded a \$0.4 million gain on the disposal. Depreciation charge for FY21 was \$20.8 million (FY20: \$24.8 million).

Investment in Associates

Investment in associates increased to \$3.3 million (31 March 2020: \$0.5 million), taking into account a \$3.8 million investment made in 2TPC Investments Pte Ltd for the redevelopment of the leasehold property, 2TPC.

Net Current Assets

As at 31 March 2021, net current assets stood at \$18.2 million (31 March 2020: \$8.1 million). Current ratio (current assets / current liabilities) was 1.11 (31 March 2020: 1.04).

The Group held lower inventories of \$31.4 million at 31 March 2021 (31 March 2020: \$31.9 million) following the sales of equipment and accessories in FY21.

Trade and other receivables and contract assets reduced by \$21.6 million (31 March 2020: \$130.7 million). The reduction was due to lower business activities and management's efforts in engaging clients to recover receivables and overdue payments.

As at 31 March 2021, assets held for sale reduced to \$0.6 million (31 March 2020: \$21.1 million) following the disposal of 2TPC.

Trade and other payables and contract liabilities reduced by \$13.1 million (31 March 2020: \$99.4 million) in line with the lower level of business activities.

Loans and Borrowings

To better manage its cash flow which was affected by the work stoppage during the CB/MCO period in 1HFY21, the Group drew down term loans under the Temporary Bridging Loan Programme that was supported by Enterprise Singapore, for working capital purposes. However, the Group's loans and borrowings fell to \$76.7 million as at 31 March 2021 (31 March 2020: \$88.0 million) due to lower use of project financing facilities and net repayment of debt in FY21. The net repayment of debt included a \$3.7 million loan repayment following the disposal of 2TPC in May 2020.

The debt-to-equity ratio as at 31 March 2021 was 0.52 (31 March 2020: 0.58).

Equity and Net Asset Value

During the year under review, the Group received \$9.7 million from the conversion of 970,037,840 warrants pursuant to the Rights-cum-Warrants Issue on 30 December 2015 (“the Warrants”), which expired on 29 December 2020. A total of 1,954,863,210 warrants, represented 96.96% of the Warrants, were exercised into ordinary shares upon the expiry of the Warrants on 29 December 2020 (refer to “Changes in the Company’s Share Capital” section on page 25 for details).

As at 31 March 2021, the Group’s equity stood at \$147.7 million (31 March 2020: \$151.6 million), while net asset value per ordinary share was 4.1 cents due to the dilutive effect resulting from the above conversion of warrants (31 March 2020: 5.8 cents).

CASH FLOW

	2HFY21 \$'000	1HFY21 \$'000	Change %	2HFY20 \$'000	Change %	FY21 \$'000	FY20 \$'000	Change %
Cash Flow from Operating Activities	18,196	6,333	>100.0	22,714	(19.9)	24,529	38,761	(36.7)
Cash Flow from Investing Activities	(7,324)	11,897	N.M.	(551)	>100.0	4,573	(3,167)	N.M.
Cash Flow from Financing Activities	(527)	(11,440)	(95.4)	(16,012)	(96.7)	(11,967)	(28,529)	(58.1)
Cash and Cash Equivalents	31,326	20,994	49.2	14,302	>100.0	31,326	14,302	>100.0

Cash Flow from Operating Activities

The Group generated net cash inflow of \$24.5 million from operating activities for FY21 (FY20: \$38.8 million), in spite of the net loss recorded. This was a result of focused working capital management and active effort to expedite the collections of receivables.

For 2HFY21, net cash inflow was \$18.2 million (2HFY20: \$22.7 million; 1HFY21: \$6.3 million). Cash flow improved from 1HFY21 after taking into account the net profit recorded in 2HFY21.

Cash Flow from Investing Activities

The Group recorded a net cash inflow from investing activities of \$4.6 million for FY21, compared to a net cash outflow of \$3.2 million in FY20, mainly due to the receipt of \$16.9 million from the disposal of 2TPC. At the same time, the Group invested \$8.0 million in the redevelopment of 2TPC.

Net cash outflow for 2HFY21 was \$7.3 million (2HFY20: \$0.6 million; 1HFY21: inflow of \$11.9 million).

Cash Flow from Financing Activities

The Group recorded net cash outflow from financing activities of \$12.0 million for FY21 (FY20: \$28.5 million) and \$0.5 million for 2HFY21 (2HFY20: \$16.0 million; 1HFY21: \$11.4 million), following the net repayment of bank borrowings during the periods.

The lower cash outflow in 2HFY21 was also contributed by the cash fund of \$8.6 million received from the exercise of warrants in 2HFY21.

Cash and Cash Equivalents

Taking into consideration all the above, the Group's cash and cash equivalents stood at \$31.3 million as at 31 March 2021 (31 March 2020: \$14.3 million; 30 September 2020: \$21.0 million).

Outlook

The Group is cautiously optimistic about the outlook of the Singapore construction industry in financial year 2022.

According to a Singapore Market Insight Report by Turner & Townsend dated 14 April 2021, the Singapore construction sector is anticipated to generate higher output in 2021, on the back of a backlog of projects arising from the pandemic in 2020, and stronger demand for public housing and infrastructure projects. Estimates by the Building and Construction Authority (BCA) also point to healthy demand for construction services, valued at between S\$23 billion and S\$28 billion.

Nevertheless, the Group remains mindful of the competition prevailing, following the construction lull in financial year 2021. Construction margins are also expected to come under pressure amid rising key construction material and manpower costs. Key construction material and consumable costs such as rebar and diesel have increased by 20% to 30% since November 2020. In addition, the tightening of border restrictions in Singapore on 23 April 2021 has exacerbated the manpower shortage situation.

The implementation of MCO 3.0 in Malaysia from 12 May 2021 to 7 June 2021 is expected to further impact the Group's construction activities in Malaysia, which contributes approximately 10% of the Group's annual turnover.

In this regard, the Group will maintain a prudent approach towards tenders for construction projects. To manage the increasing key construction material costs, the Group has further negotiated for key construction materials to be supplied by main contractors or project owners at fixed rates for the majority of its recently secured projects.

The Group will continue to focus on managing asset utilisation and the optimisation of cost and operational efficiencies to reinforce its competitive position. Capital and cash flow management remain key priorities as the Group maintains a tight rein on costs.

As at 28 May 2021, the Group's order book was approximately \$160 million (4 November 2020: \$170 million).

Consolidated Statement of Profit or Loss for the 12 Months ended 31 March 2021

	Note	Group			Group		
		6 months ended		Change	12 months ended		Change
		31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20	
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue		125,522	172,362	(27.2)	178,333	342,789	(48.0)
Cost of sales	A	(108,202)	(148,661)	(27.2)	(167,465)	(298,634)	(43.9)
Gross profit		17,320	23,701	(26.9)	10,868	44,155	(75.4)
Other income	B	549	983	(44.2)	3,863	2,223	73.8
Operating expenses							
- Distribution expenses		(400)	(499)	(19.8)	(674)	(847)	(20.4)
- Administrative expenses	C	(12,929)	(13,742)	(5.9)	(21,935)	(27,801)	(21.1)
- Other operating expenses	D	(2,675)	(4,126)	(35.2)	(2,999)	(5,572)	(46.2)
		(16,004)	(18,367)	(12.9)	(25,608)	(34,220)	(25.2)
Results from operating activities		1,865	6,317	(70.5)	(10,877)	12,158	N.M.
Net finance expenses							
- Finance income		1,142	899	27.0	2,020	1,590	27.0
- Finance expenses		(1,432)	(2,593)	(44.8)	(3,186)	(5,132)	(37.9)
		(290)	(1,694)	(82.9)	(1,166)	(3,542)	(67.1)
Share of loss of associates (net of tax)		(219)	(74)	>100.0	(317)	(156)	>100.0
Profit/(Loss) before tax		1,356	4,549	(70.2)	(12,360)	8,460	N.M.
Tax credit/(expense)	E	364	(487)	N.M.	(3)	(1,146)	(99.7)
Profit/(Loss) for the period/year		1,720	4,062	(57.7)	(12,363)	7,314	N.M.
Attributable to:							
Owners of the Company		2,268	3,369	(32.7)	(10,955)	5,550	N.M.
Non-controlling interests		(548)	693	N.M.	(1,408)	1,764	N.M.
Profit/(Loss) for the period/year		1,720	4,062	(57.7)	(12,363)	7,314	N.M.

Gross profit margin	13.8%	13.8%	6.1%	12.9%
Net profit/(loss) margin	1.4%	2.4%	-6.9%	2.1%

Consolidated Statement of Comprehensive Income for the 12 Months ended 31 March 2021

	Group			Group		
	6 months ended		Change	12 months ended		Change
	31-Mar-21	31-Mar-20		31-Mar-21	31-Mar-20	
	\$'000	\$'000	%	\$'000	\$'000	%
Profit/(Loss) for the period/year	1,720	4,062	(57.7)	(12,363)	7,314	N.M.
Other comprehensive expense						
Item that will not be reclassified to profit or loss:						
Revaluation loss of property, plant and equipment	(492)	(680)	(27.6)	(492)	(680)	(27.6)
Items that are or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences - foreign operations	(392)	(3)	>100.0	(442)	176	N.M.
Other comprehensive expense for the period/year, net of tax	(884)	(683)	29.4	(934)	(504)	85.3
Total comprehensive income/(expense) for the period/year	836	3,379	(75.3)	(13,297)	6,810	N.M.
Attributable to:						
Owners of the Company	1,501	2,700	(44.4)	(11,735)	4,874	N.M.
Non-controlling interests	(665)	679	N.M.	(1,562)	1,936	N.M.
Total comprehensive income/(expense) for the period/year	836	3,379	(75.3)	(13,297)	6,810	N.M.

Statement of Financial Position as at 31 March 2021

DESCRIPTION	Note	Group		Company	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	1	124,983	132,466	-	3
Right-of-use assets		4,594	8,159	431	-
Goodwill		552	1,092	-	-
Investment property		212	187	-	-
Investments in:					
- subsidiaries		-	-	89,904	102,954
- associates		3,260	531	-	-
Other investments		162	165	-	-
Contract assets		11,679	15,780	-	-
Trade and other receivables		3,856	3,114	10,531	10,613
Deferred tax assets		42	89	352	301
		149,340	161,583	101,218	113,871
Current assets					
Inventories	2	31,444	31,865	-	-
Contract assets		50,485	61,935	-	-
Trade and other receivables		58,640	68,776	17,966	13,561
Tax recoverable		414	128	-	-
Cash and cash equivalents		34,604	19,179	3,458	265
		175,587	181,883	21,424	13,826
Assets held for sale		581	21,114	-	-
		176,168	202,997	21,424	13,826
Total assets		325,508	364,580	122,642	127,697

Statement of Financial Position as at 31 March 2021 (cont'd)

DESCRIPTION	Note	Group		Company	
		31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
		\$'000	\$'000	\$'000	\$'000
Equity attributable to owners of the Company					
Share capital		94,089	84,389	94,089	84,389
Reserves		26,368	38,103	13,544	30,865
		120,457	122,492	107,633	115,254
Non-controlling interests		27,234	29,126	-	-
Total equity		147,691	151,618	107,633	115,254
Non-current liabilities					
Loans and borrowings	3	16,900	12,446	2,472	-
Lease liabilities *		856	3,344	54	-
Deferred tax liabilities		2,052	2,236	-	-
		19,808	18,026	2,526	-
Current liabilities					
Loans and borrowings	3	59,753	75,522	528	5
Lease liabilities *		3,909	4,956	400	-
Contract liabilities		574	232	-	-
Trade and other payables		85,746	99,209	11,555	12,438
Provisions		7,747	7,614	-	-
Current tax payable		280	721	-	-
		158,009	188,254	12,483	12,443
Lease liabilities directly associated with the assets held for sale		-	6,682	-	-
		158,009	194,936	12,483	12,443
Total liabilities		177,817	212,962	15,009	12,443
Total equity and liabilities		325,508	364,580	122,642	127,697

* Relating to Right-of-use assets.

Consolidated Statement of Cash Flows for the 12 Months ended 31 March 2021

	6 months ended		12 months ended	
	<u>31-Mar-21</u>	<u>31-Mar-20</u>	<u>31-Mar-21</u>	<u>31-Mar-20</u>
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Profit/(Loss) for the period/year	1,720	4,062	(12,363)	7,314
Adjustments for:				
Bad debts written back	(261)	(10)	(351)	(10)
Change in fair value of other investment	-	-	-	240
Depreciation of:				
- property, plant and equipment	10,498	11,286	20,753	24,796
- right-of-use assets	2,821	2,633	5,543	3,968
Distribution of profit from other investment	-	173	-	173
Gain on dilution of interest in a subsidiary	-	-	(15)	-
Gain on disposal of:				
- property, plant and equipment	(151)	(355)	(401)	(993)
- assets held for sale	-	-	(2,779)	(259)
Expected credit losses recognised/(reversed) on trade and other receivables and contract assets	275	96	238	(109)
Impairment losses on:				
- goodwill on consolidation	540	360	540	360
- trade and other receivables and contract assets	2,117	3,781	2,115	4,330
Inventories written off/(back)	28	(64)	28	(12)
Net finance expenses	290	1,694	1,166	3,542
Property, plant and equipment written off	12	52	12	80
Provisions (reversed)/made for:				
- onerous contracts	(200)	900	(200)	1,888
- rectification costs	793	1,347	1,729	3,796
Share of loss of associates (net of tax)	219	74	317	156
Write-(back)/down of plant and equipment	(49)	(313)	283	455
Tax (credit)/expense	(364)	487	3	1,146
Operating activities before working capital changes	18,288	26,203	16,618	50,861
Changes in working capital:				
Inventories	(2,091)	(287)	(2,659)	(837)
Contract assets, trade and other receivables and tax recoverable	(6,609)	8,238	27,226	(989)
Contract liabilities, trade and other payables and provisions	8,868	(11,535)	(16,120)	(10,090)
Cash generated from operations	18,456	22,619	25,065	38,945
Taxes (paid)/refund	(408)	9	(753)	(372)
Interest received	148	86	217	188
Net cash generated from operating activities	18,196	22,714	24,529	38,761

**Consolidated Statement of Cash Flows for the 12 Months ended 31 March 2021
(cont'd)**

	6 months ended		12 months ended	
	<u>31-Mar-21</u>	<u>31-Mar-20</u>	<u>31-Mar-21</u>	<u>31-Mar-20</u>
	\$'000	\$'000	\$'000	\$'000
Cash flows from investing activities				
Purchase of:				
- property, plant and equipment	(4,026)	(4,695)	(5,944)	(9,670)
- investment property	(35)	-	(125)	-
Proceeds from disposal of:				
- property, plant and equipment	308	3,749	883	5,193
- investment property	33	-	33	-
- assets held for sale	546	395	17,676	1,310
Proceeds from government grants for acquisition of property, plant and equipment	50	-	50	-
Investment in an associate	-	-	(3,800)	-
Shareholder's loan due from an associate	(4,200)	-	(4,200)	-
Net cash (used in)/generated from investing activities	(7,324)	(551)	4,573	(3,167)
Cash flows from financing activities				
Interest paid	(1,314)	(2,648)	(3,107)	(5,139)
Dividends paid:				
- non-controlling interests of a subsidiary	(180)	(105)	(330)	(105)
Proceeds from:				
- bank loans and finance lease loans	17,144	13,123	40,351	29,734
- bills payable	53,930	88,508	84,288	175,607
- issue of shares from exercise of warrants, net of expenses	8,580	2,083	9,700	2,754
Repayment of:				
- bank loans	(14,453)	(17,396)	(32,252)	(32,701)
- bills payable	(56,960)	(89,313)	(95,815)	(181,796)
- finance lease liabilities	(4,453)	(7,270)	(9,268)	(12,666)
- lease liabilities *	(2,821)	(2,844)	(5,534)	(4,067)
Increase in fixed deposits pledged	-	(150)	-	(150)
Net cash used in financing activities	(527)	(16,012)	(11,967)	(28,529)
Net increase in cash and cash equivalents	10,345	6,151	17,135	7,065
Cash and cash equivalents at 1 October/1 April	20,994	8,124	14,302	7,193
Effect of exchange rate changes on balances held in foreign currencies	(13)	27	(111)	44
Cash and cash equivalents at 31 March	31,326	14,302	31,326	14,302
Comprising:				
Cash and cash equivalents	34,604	19,179	34,604	19,179
Bank overdrafts	(3,128)	(4,727)	(3,128)	(4,727)
	31,476	14,452	31,476	14,452
Less:				
Fixed deposits pledged as security for bank facilities	(150)	(150)	(150)	(150)
Cash and cash equivalents in the consolidated cash flow statement	31,326	14,302	31,326	14,302

* Relating to Right-of-use assets.

Statements of Changes in Equity for the 12 Months ended 31 March 2021

Group	Share	Capital	Reserve	Reserve on	Foreign	Revaluation	Other	Accumulated	Total	Non-	Total
	capital	reserve	for own	consolidation	currency	reserve	reserve	profits	attributable to	controlling	equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2019	81,635	17,798	(2,354)	116	(6,141)	11,719	(881)	13,011	114,903	27,448	142,351
Total comprehensive income/(expense) for the year											
Profit for the year	-	-	-	-	-	-	-	5,550	5,550	1,764	7,314
Other comprehensive income/(expense)											
Foreign currency translation differences	-	-	-	-	4	-	-	-	4	172	176
Revaluation loss of property, plant and equipment	-	-	-	-	-	(680)	-	-	(680)	-	(680)
Transfer of revaluation surplus of property, plant and equipment	-	-	-	-	-	(318)	-	318	-	-	-
Total other comprehensive income/(expense)	-	-	-	-	4	(998)	-	318	(676)	172	(504)
Total comprehensive income/(expense) for the year	-	-	-	-	4	(998)	-	5,868	4,874	1,936	6,810
Transactions with owners of the Company, recorded directly in equity											
Contributions by and distributions to owners											
Issue of shares from exercise of warrants	2,754	-	-	-	-	-	-	-	2,754	-	2,754
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(105)	(105)
Total contributions by and distributions to owners	2,754	-	-	-	-	-	-	-	2,754	(105)	2,649
Changes in ownership interests in a subsidiary											
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	(39)	-	(39)	(153)	(192)
Total changes in ownership interests in a subsidiary	-	-	-	-	-	-	(39)	-	(39)	(153)	(192)
Total transactions with owners of the Company	2,754	-	-	-	-	-	(39)	-	2,715	(258)	2,457
At 31 March 2020	84,389	17,798	(2,354)	116	(6,137)	10,721	(920)	18,879	122,492	29,126	151,618

Statements of Changes in Equity for the 12 Months ended 31 March 2021 (cont'd)

<u>Group</u>	Share capital	Capital reserve	Reserve for own shares	Reserve on consolidation	Foreign currency translation reserve	Revaluation reserve	Other reserve	Accumulated profits	Total attributable to owners of the Company	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2020	84,389	17,798	(2,354)	116	(6,137)	10,721	(920)	18,879	122,492	29,126	151,618
Total comprehensive expense for the year											
Loss for the year	-	-	-	-	-	-	-	(10,955)	(10,955)	(1,408)	(12,363)
Other comprehensive expense											
Foreign currency translation differences	-	-	-	-	(288)	-	-	-	(288)	(154)	(442)
Revaluation loss of property, plant and equipment	-	-	-	-	-	(492)	-	-	(492)	-	(492)
Transfer of revaluation surplus of property upon disposal	-	-	-	-	-	(8,546)	-	8,546	-	-	-
Transfer of revaluation surplus of property, plant and equipment	-	-	-	-	-	(298)	-	298	-	-	-
Total other comprehensive (expense)/income	-	-	-	-	(288)	(9,336)	-	8,844	(780)	(154)	(934)
Total comprehensive expense for the year	-	-	-	-	(288)	(9,336)	-	(2,111)	(11,735)	(1,562)	(13,297)
Transactions with owners of the Company, recorded directly in equity											
Contributions by and distributions to owners											
Issue of shares from exercise of warrants	9,700	-	-	-	-	-	-	-	9,700	-	9,700
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(330)	(330)
Total transactions with owners of the Company	9,700	-	-	-	-	-	-	-	9,700	(330)	9,370
At 31 March 2021	94,089	17,798	(2,354)	116	(6,425)	1,385	(920)	16,768	120,457	27,234	147,691

Statements of Changes in Equity for the 12 Months ended 31 March 2021 (cont'd)

<u>Company</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Reserve for own shares</u>	<u>Accumulated profits/(losses)</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2019	81,635	17,798	(2,354)	32,875	129,954
Total comprehensive expense for the year	-	-	-	(17,454)	(17,454)
Transactions with owners of the Company, recorded directly in equity					
Issue of shares from exercise of warrants	2,754	-	-	-	2,754
Total transactions with owners of the Company	2,754	-	-	-	2,754
At 31 March 2020	84,389	17,798	(2,354)	15,421	115,254
At 1 April 2020	84,389	17,798	(2,354)	15,421	115,254
Total comprehensive expense for the year	-	-	-	(17,321)	(17,321)
Transactions with owners of the Company, recorded directly in equity					
Issue of shares from exercise of warrants	9,700	-	-	-	9,700
Total transactions with owners of the Company	9,700	-	-	-	9,700
At 31 March 2021	94,089	17,798	(2,354)	(1,900)	107,633

Note:

Capital reserve

	<u>Group</u> \$'000	<u>Company</u> \$'000
Capital Reduction Reserve	17,798	17,798

The Capital Reduction Reserve shall not be treated or used by the Company as a distributable reserve for dividend purposes in accordance with Article 142 of the Articles of Association of the Company and the Companies Act, Chapter 50 of Singapore.

Notes to the Financial Statements

Notes to the Consolidated Statement of Profit or Loss

The Group is reporting its full year results for the period from 1 April 2020 to 31 March 2021 with comparative figures for the 12 months period from 1 April 2019 to 31 March 2020.

A Cost of sales

Group			
6 months ended		12 months ended	
31/03/2021	31/03/2020	31/03/2021	31/03/2020
\$'000	\$'000	\$'000	\$'000

Cost of sales includes the following items:

Depreciation of:

- property, plant and equipment	10,106	10,874	19,961	23,750
- right-of-use assets ⁽¹⁾	1,968	1,616	3,805	2,655
Government assistances	1,740	-	8,146	-
Inventories written off/(back)	28	(64)	28	(12)
Property, plant and equipment written off	-	-	-	11
Provisions (reversed)/made for:				
- onerous contracts	(200)	900	(200)	1,888
- rectification costs	793	1,347	1,729	3,796

⁽¹⁾ Arising from application of SFRS(I) 16 Leases.

B Other income

Group			
6 months ended		12 months ended	
31/03/2021	31/03/2020	31/03/2021	31/03/2020
\$'000	\$'000	\$'000	\$'000

Other income includes the following items:

Gain on dilution of interest in a subsidiary	-	-	15	-
Gain on disposal of:				
- plant and equipment	151	355	401	993
- assets held for sale	-	-	2,779	259
Distribution of profit from the investment in a property development project in Iskandar Malaysia	-	173	-	173

C Administrative expenses

Group			
6 months ended		12 months ended	
31/03/2021	31/03/2020	31/03/2021	31/03/2020
\$'000	\$'000	\$'000	\$'000

Administrative expenses includes the following items:

Depreciation of:

- property, plant and equipment	392	412	792	1,046
- right-of-use assets ⁽¹⁾	853	1,017	1,738	1,313
Exchange loss	765	823	777	594
Government assistances	(52)	-	2,514	-

⁽¹⁾ Arising from application of SFRS(I) 16 Leases.

Notes to the Consolidated Statement of Profit or Loss (cont'd)

D Other operating expenses

	Group			
	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	\$'000	\$'000	\$'000	\$'000
Other operating expenses includes the following items:				
Bad debts written back	(261)	(10)	(351)	(10)
Change in fair value of other investment	-	-	-	240
Expected credit losses recognised/(reversed) on trade and other receivables and contract assets ⁽¹⁾	275	96	238	(109)
Impairment losses on:				
- goodwill on consolidation	540	360	540	360
- trade and other receivables and contract assets ⁽²⁾	2,117	3,781	2,115	4,330
Property, plant and equipment written off	12	52	12	69
Write-(back)/down of plant and equipment	(49)	(313)	283	455

⁽¹⁾ Arising from application of SFRS(I) 9 *Financial Instruments* and is reviewed on a periodic basis.

⁽²⁾ The Group's accounts receivables position is reviewed on a periodic basis. Impairment losses are made where required, after assessing the probability of recovering the accounts receivables. These impairment losses do not relate to any major customers. Amounts written back are cash recovered from receivables previously impaired.

E Tax (credit)/expense

	Group			
	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	\$'000	\$'000	\$'000	\$'000
Current tax expense				
- current period/year	292	673	336	1,119
- over provided in prior years	(171)	(90)	(204)	(94)
	121	583	132	1,025
Deferred tax (credit)/expense				
- current period/year	(682)	(96)	(745)	(104)
- under provided in prior years	197	-	616	225
	(485)	(96)	(129)	121
	(364)	487	3	1,146

Notes to the Consolidated Statement of Profit or Loss (cont'd)

F Interested person transactions

The Company had not obtained a shareholders' mandate for the interested person transactions under Chapter 9 of the Listing Manual.

Interested person transactions carried out during the 12 months ended 31 March 2021 under Chapter 9 of the Listing Manual are as follows:

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than \$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 \$100,000)	
	6 months ended 31/03/2021	12 months ended 31/03/2021	6 months ended 31/03/2021	12 months ended 31/03/2021
	\$'000	\$'000	\$'000	\$'000
Tat Hong HeavyEquipment (Pte.) Ltd. ⁽¹⁾	2,079	2,911	Nil	Nil
Tat Hong Plant Leasing Pte Ltd ⁽¹⁾	490	662	Nil	Nil
Tat Hong Vietnam Co., Ltd ⁽¹⁾	715	715	Nil	Nil

Note:

⁽¹⁾ Tat Hong HeavyEquipment (Pte.) Ltd., Tat Hong Plant Leasing Pte Ltd and Tat Hong Vietnam Co., Ltd are related corporations of TH Investments Pte Ltd, a substantial shareholder of the Company.

Notes to the Statement of Financial Position

1 Property, plant and equipment

The movement in property, plant and equipment is as follows:

	Group	
	As at 31/03/2021	As at 31/03/2020
	\$'000	\$'000
<u>Cost/Valuation</u>		
Opening balance	382,396	367,758
Additions	8,397	12,661
Reclassification from inventories	7,159	12,664
Revaluation	(492)	(680)
Elimination of accumulated depreciation against cost on revaluation	(828)	(1,046)
Transfer to inventories	(7,764)	(4,107)
Reclassification from assets held for sale	622	3,145
Disposals/Write-offs	(2,955)	(8,603)
Translation differences on consolidation	(1,534)	604
Closing balance	<u>385,001</u>	<u>382,396</u>
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	249,930	230,657
Depreciation charge	20,753	24,796
Impairment loss	12	236
Elimination of accumulated depreciation against cost on revaluation	(828)	(1,046)
Transfer to inventories	(6,900)	(2,769)
Reclassification from assets held for sale	316	2,443
Disposals/Write-offs	(2,461)	(4,477)
Translation differences on consolidation	(804)	90
Closing balance	<u>260,018</u>	<u>249,930</u>
Carrying amount	<u>124,983</u>	<u>132,466</u>

2 Inventories

	Group	
	As at 31/03/2021	As at 31/03/2020
	\$'000	\$'000
Equipment and machinery held for sale	20,278	17,920
Spare parts	9,188	11,925
Construction materials on sites	1,978	2,020
	<u>31,444</u>	<u>31,865</u>

Notes to the Statement of Financial Position (cont'd)

3 Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/03/2021	
Secured	Unsecured
\$'000	\$'000
12,977	46,776

As at 31/03/2020	
Secured	Unsecured
\$'000	\$'000
15,665	59,857

Amount repayable after one year

As at 31/03/2021	
Secured	Unsecured
\$'000	\$'000
7,653	9,247

As at 31/03/2020	
Secured	Unsecured
\$'000	\$'000
12,446	-

Details of any collateral

The Group's total borrowings were \$76.7 million (31 March 2020: \$88.0 million) and consist of overdrafts, bills payable, finance leases and bank loans. Included in the borrowings repayable within one year were bills payable amounting to \$13.5 million (31 March 2020: \$25.1 million).

The borrowings are secured by legal mortgages over the Group's assets listed below and guaranteed by the Company, out of which \$8,507,000 (31 March 2020: \$16,862,000) are also guaranteed by a related corporation:

- a) \$15,061,000 (31 March 2020: \$19,475,000) in respect of plant and machinery acquired under hire purchase arrangements;
- b) \$4,432,000 (31 March 2020: \$8,482,000) which are secured by a charge over the leasehold land and property;
- c) \$1,137,000 (31 March 2020: \$Nil) which are secured by a charge over the fixed deposit of the Group; and
- d) \$154,000 which were secured by a mortgage over the plant and machinery as at 31 March 2020.

Notes to the Statement of Changes in Equity

1 Changes in the Company's Share Capital

As at 31 March 2021, the issued and fully paid-up share capital of the Company was 3,588,348,176 (31 March 2020: 2,618,310,336) ordinary shares. Movement in the Company's issued and fully paid-up share capital during the 12 months ended 31 March 2021 was as follows:

	Number of shares	\$'000
As at 1 April 2020	2,618,310,336	84,389
Exercise of warrants	970,037,840	9,700
As at 31 March 2021	<u>3,588,348,176</u>	<u>94,089</u>

The total number of ordinary shares issued (excluding treasury shares) as at 31 March 2021 was 3,567,828,176 (31 March 2020: 2,597,790,336) ordinary shares.

Warrants

As at 31 March 2020, the outstanding warrants pursuant to the Rights cum Warrants Issue on 30 December 2015 ("the Warrants") was 1,031,380,835 warrants for conversion into ordinary shares, represented 39.7% of the total number of ordinary shares issued (excluding treasury shares). During the 12 months ended 31 March 2021, 970,037,840 warrants were exercised at \$0.01 each.

The movement in the Warrants during the 12 months ended 31 March 2021 was as follows:

	Outstanding warrants
As at 1 April 2020	1,031,380,835
Exercise of warrants	(970,037,840)
Expiry of warrants	(61,342,995)
As at 31 March 2021	<u>-</u>

The Warrants was expired on 29 December 2020. A total of 1,954,863,210 warrants, represented 96.96% of the Warrants, were exercised into ordinary shares upon the expiry of the Warrants on 29 December 2020.

There were no share buybacks for the 12 months ended 31 March 2021. There were 20,520,000 shares held as treasury shares as at 31 March 2021 (31 March 2020: 20,520,000 shares), representing 0.6% (31 March 2020: 0.8%) of the total number of ordinary shares issued (excluding treasury shares). There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 March 2021.

There were no subsidiary holdings in the Company as at 31 March 2021. There were no sales, transfers, cancellation and/or use of subsidiary holdings as at 31 March 2021.

Audit

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

Accounting Policies

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 March 2020, except for the adoption of new/revised SFRS(I) applicable for the financial period beginning on 1 April 2020 as follows:

- Amendments to SFRS(I) 3 *Definition of a Business*;
- Amendments to SFRS(I) 1-1 and SFRS(I) 1-8 *Definition of Material*;
- Amendments to SFRS(I) 9, SFRS(I) 1–39 and SFRS(I) 7 *Interest Rate Benchmark Reform*; and
- Various SFRS(I): *Amendments to references to the Conceptual Framework in SFRS(I) standards, illustrative examples, implementation guidance and SFRS(I) practice statements.*

The Group does not expect the application of the above amendments to SFRS(I) to have a significant impact on the financial statements.

Earnings/(Loss) Per Share

(a) Basic earnings/(loss) per ordinary share

	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Based on the weighted average number of ordinary shares on issue	0.07 cents	0.13 cents	(0.37) cents	0.23 cents
	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	\$'000	\$'000	\$'000	\$'000
Basic earnings/(loss) per ordinary share is based on:				
Net profit/(loss) attributable to ordinary shareholders	2,268	3,369	(10,955)	5,550
	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	Number of shares			
Weighted average number of:				
Issued ordinary shares at beginning of the period/year	2,730,266,601	2,410,012,946	2,618,310,336	2,342,882,546
Issue of shares via exercise of warrants	537,314,790	125,418,363	340,825,906	101,512,161
Ordinary shares held as treasury shares	(20,520,000)	(20,520,000)	(20,520,000)	(20,520,000)
Weighted average number of ordinary shares used to compute earnings/(loss) per ordinary share	3,247,061,391	2,514,911,309	2,938,616,242	2,423,874,707

b) Diluted earnings/(loss) per ordinary share

	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
On a fully diluted basis	0.07 cents	0.11 cents	(0.37) cents	0.18 cents
	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	\$'000	\$'000	\$'000	\$'000
Diluted earnings/(loss) per ordinary share is based on:				
Net profit/(loss) attributable to ordinary shareholders	2,268	3,369	(10,955)	5,550

Earnings/(Loss) Per Share (cont'd)

For the purpose of calculating the diluted earnings/(loss) per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the dilutive warrants with the potential ordinary shares weighted for the period outstanding.

	6 months ended		12 months ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	Number of shares			
Weighted average number of: Ordinary shares used in the calculation of basic earnings/(loss) per ordinary share	3,247,061,391	2,514,911,309	2,938,616,242	2,423,874,707
Potential ordinary shares issuable under exercise of warrants	94,197,892	566,263,209	*	605,148,847
Weighted average number of ordinary issued and potential shares assuming full conversion	<u>3,341,259,283</u>	<u>3,081,174,518</u>	<u>2,938,616,242</u>	<u>3,029,023,554</u>

* The Group was in a loss position for the 12 months ended 31 March 2021, the warrants were not included in the computation of diluted loss per ordinary share as these potential ordinary shares were anti-dilutive.

Net Asset Value

	<u>As at 31/03/2021</u>	<u>As at 31/03/2020</u>
<u>Group</u>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the year reported on	4.1 cents	5.8 cents
<u>Company</u>		
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of the year reported on	3.0 cents	4.4 cents

The net asset value per ordinary share is calculated based on net asset value of \$147.7 million (31 March 2020: \$151.6 million) over the total number of ordinary shares issued (excluding treasury shares) as at 31 March 2021 of 3,567,828,176 (31 March 2020: 2,597,790,336) ordinary shares.

Variance from Prospect Statement

The Group's unaudited consolidated financial statements for the 12 months ended 31 March 2021 are in line with the commentary disclosed in the profit guidance announcement dated 21 May 2021.

Dividend

No dividend has been declared/recommended in the current financial period and the corresponding period of the immediately preceding financial year, so as to conserve the Group's cash position.

Segmental Revenue and Results

Business segments

The Group comprises the following main business segments:

Foundation and geotechnical engineering : Includes civil engineering, piling, foundation and geotechnical engineering, soil investigation, land surveying and other related services.

Sales and lease of equipment : Sales and rental of foundation engineering equipment, machinery and spare parts.

	Foundation and Geotechnical Engineering		Sales and Lease of Equipment		Total Reportable Segments	
	FY21	FY20	FY21	FY20	FY21	FY20
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from contracts with customers	149,445	288,474	19,854	40,326	169,299	328,800
Rental income	32	383	9,002	13,606	9,034	13,989
External revenue	<u>149,477</u>	<u>288,857</u>	<u>28,856</u>	<u>53,932</u>	<u>178,333</u>	<u>342,789</u>
Inter-segment revenue	<u>13,139</u>	<u>34,822</u>	<u>12,850</u>	<u>17,059</u>	<u>25,989</u>	<u>51,881</u>
Reportable segment (loss)/profit before tax	<u>(7,839)</u>	<u>5,827</u>	<u>(2,474)</u>	<u>3,650</u>	<u>(10,313)</u>	<u>9,477</u>

Reconciliations of reportable segment revenues and profit or loss:

	FY21	FY20
	\$'000	\$'000
Profit or loss before tax		
Total (loss)/profit before tax for reportable segments	(10,313)	9,477
Profit/(Loss) before tax for other segments	74	(451)
	<u>(10,239)</u>	<u>9,026</u>
Elimination of inter-segment transactions	3,182	5,548
Unallocated amounts:		
- other corporate expenses	(4,986)	(5,958)
Share of loss of associates (net of tax)	(317)	(156)
Consolidated (loss)/profit before tax	<u>(12,360)</u>	<u>8,460</u>

Breakdown of Sales

	12 months ended 31/03/2021	12 months ended 31/03/2020	Change
	\$'000	\$'000	%
(a) Sales reported for the first half year	52,811	170,427	(69.0)
(b) Operating (loss)/profit after tax before deducting minority interest reported for the first half year	(14,083)	3,252	N.M.
(c) Sales reported for the second half year	125,522	172,362	(27.2)
(d) Operating profit after tax before deducting minority interest reported for the second half year	1,720	4,062	(57.7)

Confirmation

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST Listing Manual"), the Company confirms that none of the persons occupying managerial positions in the Company or in any of its principal subsidiaries is a relative of a director, chief executive officer or substantial shareholder of the Company as at 31 March 2021.

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

By Order of the Board

See Yen Tarn
Executive Director and Group Chief Executive Officer
28 May 2021