

**TEHO INTERNATIONAL INC LTD.**

(Company Registration No: 200811433K)  
(Incorporated in the Republic of Singapore)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS AND FULL YEAR ENDED 30 JUNE 2021**

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

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## A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Group					
		2HY2021	2HY2020	Change	FY2021	FY2020	Change
	Note	Unaudited	Unaudited		Unaudited	Audited	
		S\$	S\$	%	S\$	S\$	%
<b>Revenue</b>	4	<b>28,396,448</b>	<b>30,295,996</b>	(6.3)	<b>61,814,524</b>	<b>59,264,700</b>	4.3
Cost of sales		(17,366,237)	(18,412,396)	(5.7)	(40,014,130)	(37,173,775)	7.6
<b>Gross profit</b>		<b>11,030,211</b>	<b>11,883,600</b>	(7.2)	<b>21,800,394</b>	<b>22,090,925</b>	(1.3)
Other operating income		441,262	619,298	(28.7)	1,389,131	780,475	78.0
Distribution expenses		(624,711)	(663,521)	(5.8)	(1,216,753)	(1,383,564)	(12.1)
Administrative expenses		(6,181,263)	(6,671,296)	(7.3)	(13,188,490)	(13,235,245)	(0.4)
Other operating expenses		(1,973,474)	(2,941,153)	(32.9)	(3,702,340)	(4,732,837)	(21.8)
<b>Results from operating activities</b>		<b>2,692,025</b>	<b>2,226,928</b>	20.9	<b>5,081,942</b>	<b>3,519,754</b>	44.4
Finance income		134	288	(53.5)	266	687	(61.3)
Finance costs		(404,985)	(680,064)	(40.4)	(969,023)	(1,479,975)	(34.5)
<b>Net finance costs</b>		<b>(404,851)</b>	<b>(679,776)</b>	(40.4)	<b>(968,757)</b>	<b>(1,479,288)</b>	(34.5)
Share of results of equity-accounted investees (net of tax)		15,982	(12,500)	n.m.	15,982	(12,500)	n.m.
<b>Profit before tax</b>	6	<b>2,303,156</b>	<b>1,534,652</b>	50.1	<b>4,129,167</b>	<b>2,027,966</b>	103.6
Tax expense	7	(369,284)	(525,597)	(29.7)	(898,130)	(843,361)	6.5
<b>Profit for the year</b>		<b>1,933,872</b>	<b>1,009,055</b>	91.7	<b>3,231,037</b>	<b>1,184,605</b>	172.8
<b>Profit attributable to:</b>							
Owners of the Company		1,933,872	1,009,055	91.7	3,231,037	1,184,605	172.8
Non-controlling interests		–	–	–	–	–	–
<b>Profit for the year</b>		<b>1,933,872</b>	<b>1,009,055</b>	91.7	<b>3,231,037</b>	<b>1,184,605</b>	172.8
<b>Earnings per share</b>							
Basic (cents)	9	0.82	0.43	90.7	1.37	0.50	174.0
Diluted (cents)	9	0.82	0.43	90.7	1.37	0.50	174.0

### Notes:

- (1) 2H2021 : 6 months ended 30 June 2021
- (2) 2H2020 : 6 months ended 30 June 2020
- (3) FY2021 : 12 months ended 30 June 2021
- (4) FY2020 : 12 months ended 30 June 2020
- (5) n.m.: not meaningful.

## B. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Note	Group					
	2HY2021	2HY2020	Change	FY2021	FY2020	Change
	Unaudited S\$	Unaudited S\$	%	Unaudited S\$	Audited S\$	%
<b>Profit for the year</b>	<b>1,933,872</b>	<b>1,009,055</b>	91.7	<b>3,231,037</b>	<b>1,184,605</b>	172.8
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation differences, net of tax	(62,436)	253,820	n.m.	(5,137)	182,758	n.m.
<b>Other comprehensive (loss)/income for the year, net of tax</b>	<b>(62,436)</b>	<b>253,820</b>	n.m.	<b>(5,137)</b>	<b>182,758</b>	n.m.
<b>Total comprehensive income for the year</b>	<b>1,871,436</b>	<b>1,262,875</b>	48.2	<b>3,225,900</b>	<b>1,367,363</b>	135.9
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	1,871,436	1,262,875	48.2	3,225,900	1,367,363	135.9
Non-controlling interests	–	–	–	–	–	–
<b>Total comprehensive income for the year</b>	<b>1,871,436</b>	<b>1,262,875</b>	48.2	<b>3,225,900</b>	<b>1,367,363</b>	135.9

## C. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
		Unaudited S\$	Audited S\$	Unaudited S\$	Audited S\$
<b>Assets</b>					
Property, plant and equipment	10	13,063,262	13,391,614	303,951	4,859
Investment in subsidiaries		–	–	16,184,006	16,184,006
Investment in associates		75,982	–	–	–
Deferred tax assets		163,566	256,597	–	–
<b>Non-current assets</b>		<b>13,302,810</b>	<b>13,648,211</b>	<b>16,487,957</b>	<b>16,188,865</b>
Inventories		21,195,973	22,346,376	–	–
Development properties		5,357,030	10,755,689	–	–
Contract costs		56,538	–	–	–
Tax recoverable		12,116	102,075	–	–
Trade and other receivables		9,635,045	10,832,479	5,782,596	4,183,803
Contract assets		315,003	400,714	–	–
Cash and cash equivalents		6,981,664	5,310,252	100,916	94,015
		43,553,369	49,747,585	5,883,512	4,277,818
Assets held for sale		–	3,168,810	–	–
<b>Current assets</b>		<b>43,553,369</b>	<b>52,916,395</b>	<b>5,883,512</b>	<b>4,277,818</b>
<b>Total assets</b>		<b>56,856,179</b>	<b>66,564,606</b>	<b>22,371,469</b>	<b>20,466,683</b>
<b>Equity</b>					
Share capital	12	33,035,508	33,035,508	33,035,508	33,035,508
Other reserves		185,609	190,746	–	–
Accumulated losses		(15,107,969)	(18,339,006)	(55,162,338)	(56,398,891)
<b>Total equity</b>		<b>18,113,148</b>	<b>14,887,248</b>	<b>(22,126,830)</b>	<b>(23,363,383)</b>
<b>Liabilities</b>					
Loans and borrowings	11	12,169,853	15,024,430	–	–
Trade and other payables	5.1	116,211	185,596	–	–
Deferred tax liabilities		37,312	69,272	–	–
<b>Non-current liabilities</b>		<b>12,323,376</b>	<b>15,279,298</b>	<b>–</b>	<b>–</b>
Loans and borrowings	11	20,150,872	29,650,009	–	–
Trade and other payables		5,644,389	5,774,777	44,483,936	43,817,997
Contract liabilities		188,974	279,764	–	–
Current tax liabilities		435,420	693,510	14,363	12,069
<b>Current liabilities</b>		<b>26,419,655</b>	<b>36,398,060</b>	<b>44,498,299</b>	<b>43,830,066</b>
<b>Total liabilities</b>		<b>38,743,031</b>	<b>51,677,358</b>	<b>44,498,299</b>	<b>43,830,066</b>
<b>Total equity and liabilities</b>		<b>56,856,179</b>	<b>66,564,606</b>	<b>22,371,469</b>	<b>20,466,683</b>

## D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group FY2021 Unaudited S\$	FY2020 Audited S\$
<b><u>Cash flows from operating activities</u></b>			
Profit before tax		4,129,167	2,027,966
Adjustments for:			
Bad debts written off		2,142	39,089
Depreciation of investment property		–	120,742
Depreciation of property, plant, and equipment		1,665,164	1,744,740
Equity-settled share-based payment transactions		–	9,450
Fair value (gain) / loss on derivatives		(69,385)	185,596
(Gain) / Loss on disposal of plant and equipment		(59,471)	1,270
Gain on modification of lease		(26,036)	–
Impairment loss on investment properties		–	152,000
Impairment loss on trade and other receivables and contract assets		111,403	265,167
Loss on disposal of assets held for sale		810	–
Net finance costs		968,757	1,479,288
Share of results of equity-accounted investees (net of tax)		(15,982)	12,500
<b>Operating cash flows before changes in working capital</b>		<b>6,706,569</b>	<b>6,037,808</b>
Changes in:			
- Inventories		1,148,326	(1,958,782)
- Development properties		5,505,723	(1,092,192)
- Contract costs		(56,538)	–
- Trade and other receivables		1,082,900	324,608
- Contract assets		85,711	48,532
- Trade and other payables		(132,453)	352,486
- Contract liabilities		(90,796)	(63,584)
<b>Cash generated from operations</b>		<b>14,249,442</b>	<b>3,648,876</b>
Tax paid		(996,418)	(301,647)
<b>Net cash from operating activities</b>		<b>13,253,024</b>	<b>3,347,229</b>
<b><u>Cash flows from investing activities</u></b>			
Acquisition of an associate		(60,000)	–
Acquisition of property, plant and equipment <sup>(Note 1)</sup>		(776,417)	(894,807)
Interest received		266	687
Proceeds from disposal of assets held for sale		3,168,000	–
Proceeds from disposal of plant and equipment		82,500	3,628
<b>Net cash from / (used in) investing activities</b>		<b>2,414,349</b>	<b>(890,492)</b>

#### D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Group	
Note	FY2021 Unaudited S\$	FY2020 Audited S\$
<b><u>Cash flows from financing activities</u></b>		
Interest paid	(1,076,087)	(1,568,027)
Payment of lease liabilities	(869,388)	(992,862)
Proceeds from loans and borrowings	23,160,691	28,918,637
Repayment of loans and borrowings	(35,176,998)	(28,069,229)
<b>Net cash used in financing activities</b>	<b>(13,961,782)</b>	<b>(1,711,481)</b>
Net increase in cash and cash equivalents	1,705,591	745,256
Cash and cash equivalents at beginning of the year	5,310,252	4,621,904
Effect of exchange rate fluctuations on cash held	(34,179)	(56,908)
<b>Cash and cash equivalents at end of the year</b>	<b>6,981,664</b>	<b>5,310,252</b>
<b><u>Note 1</u></b>		
Additions of property, plant and equipment	1,803,804	2,569,367
Less: Funded by bank loans	–	(1,566,800)
Less: Addition in right-of-use assets	(1,027,387)	(107,760)
Cash used in acquisition of property, plant and equipment	776,417	894,807

## E. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Note	Attributable to owners of the Company				Total equity S\$
		Share capital S\$	Foreign currency translation reserve S\$	Share-based compensation reserve S\$	Accumulated losses S\$	
<b>As at 1 July 2020 (audited)</b>		33,035,508	190,746	–	(18,339,006)	14,887,248
<b>Total comprehensive income for the year</b>						
Profit for the year		–	–	–	3,231,037	3,231,037
Foreign currency translation differences		–	(5,137)	–	–	(5,137)
<b>Total comprehensive income for the year</b>		–	(5,137)	–	3,231,037	3,225,900
<b>As at 30 June 2021 (unaudited)</b>		33,035,508	185,609	–	(15,107,969)	18,113,148
<b>As at 1 July 2019 (audited)</b>		32,978,808	7,988	47,250	(19,523,611)	13,510,435
<b>Total comprehensive income for the year</b>						
Profit for the year		–	–	–	1,184,605	1,184,605
Foreign currency translation differences		–	182,758	–	–	182,758
<b>Total comprehensive income for the year</b>		–	182,758	–	1,184,605	1,367,363
<b>Transactions with owners, recognised directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Share-based payment transactions		–	–	9,450	–	9,450
Issuance of ordinary shares under the Performance Share Plan		56,700	–	(56,700)	–	–
<b>Total contributions by and distributions to owners</b>		56,700	–	(47,250)	–	9,450
<b>As at 30 June 2020 (audited)</b>		33,035,508	190,746	–	(18,339,006)	14,887,248



## E. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (continued)

	Share capital S\$	Share-based compensati on reserve S\$	Accumulated losses S\$	Total equity S\$
<b>Company</b>				
<b>As at 1 July 2020 (audited)</b>	33,035,508	–	(56,398,891)	(23,363,383)
<b>Total comprehensive income for the year</b>	–	–	1,236,553	1,236,553
<b>As at 30 June 2021 (unaudited)</b>	<u>33,035,508</u>	<u>–</u>	<u>(55,162,338)</u>	<u>(22,126,830)</u>
<b>As at 1 July 2019 (audited)</b>	32,978,808	47,250	(55,881,862)	(22,855,804)
<b>Total comprehensive loss for the year</b>	–	–	(517,029)	(517,029)
<b>Transactions with owners, recognised directly in equity</b>				
<b>Contributions by and distributions to owners</b>				
Share-based payment transactions	–	9,450	–	9,450
Issue of ordinary shares	56,700	(56,700)	–	–
<b>Total contributions by and distributions to owners</b>	<u>56,700</u>	<u>(47,250)</u>	<u>–</u>	<u>9,450</u>
<b>As at 30 June 2020 (audited)</b>	<u>33,035,508</u>	<u>–</u>	<u>(56,398,891)</u>	<u>(23,363,383)</u>

## F. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate information

TEHO International Inc Ltd. (the "Company") is a public company limited by shares, incorporated and domiciled in Singapore with its registered office at 1 Commonwealth Lane, #09-23, One Commonwealth, Singapore 149544. The Company's registration number is 200811433K. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited.

These condensed interim consolidated financial statements as at and for the six months and full year ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the "Group"). The Company is an investment holding company.

The principal activities of the Group are:

- (a) Supply of rigging and mooring equipment as well as related services to customers mainly in the marine and offshore industries;
- (b) Supply of offshore oil and gas equipment to offshore oil and gas industries;
- (c) Manufacture and repair of water/waste water treatment equipment and environmental engineering design and consultancy services;
- (d) Real estate development specialising in residential properties; and
- (e) Provision of real estate valuation services.

### 2. Basis of preparation

The condensed interim financial statements for the six months and full year ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 31 December 2020.

The presentation for the FY2021 unaudited condensed interim financial statements are prepared in accordance with the relevant accounting standards under Singapore Financial Reporting Standards (International) ("SFRS(I)s") which is to comply with Catalist Rule 705(3A) that takes effect for issuers' financial statements for any interim financial period (i.e., the first, second or third quarters of the financial year) or for any financial year ending on or after 30 June 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

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

#### 2.1 Basis of preparation

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time on 1 July 2020:

- *Amendments to References to Conceptual Framework in SFRS(I) Standards*
- *Definition of a Business (Amendments to SFRS(I) 3)*
- *Definition of Material (Amendments to SFRS(I) 1-1 and SFRS(I) 1-8)*
- *Interest Rate Benchmark Reform (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7)*
- *Covid-19-Related Rent Concessions (Amendment to SFRS(I) 16)*

The application of these standards, amendments to standards and interpretations does not have a material effect on the financial statements.

## **2.2 Use of judgements and estimates**

The preparation of the condensed interim financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2020.

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.

Key judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period includes the followings:

- Measurement of realisable amounts of inventories;
- Measurement of realisable amounts of development properties; and
- Measurement of expected credit loss ("ECL") allowance for contract assets and trade and other receivables.

## **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 organised into the following main business segments:

- Segment 1: Marine & Offshore comprises of mooring and rigging, water treatment and engineering businesses.
- Segment 2: Property Development comprises of property development and consultancy services.

These operating segments are reported in a manner consistent with internal reporting provided to the Group's CEO, who is responsible for allocating resources and assessing performance of the operating segments.

#### 4.1 Reportable segments

Business Segments Reporting	Marine & Offshore S\$	Property Development S\$	Unallocated S\$	Group S\$
<b>2HY2021</b>				
Revenue	35,672,818	581,403	–	36,254,221
Internal revenues	(7,857,773)	–	–	(7,857,773)
External revenues	<u>27,815,045</u>	<u>581,403</u>	<u>–</u>	<u>28,396,448</u>
Interest income	134	–	–	134
Interest expense	(398,775)	(1,192)	(5,018)	(404,985)
Depreciation and amortisation	(723,091)	(36,279)	(28,572)	(787,942)
Reportable segment profit/(loss) before tax	2,572,718	(103,858)	–	2,468,860
Other unallocated expenses	–	–	(165,704)	<u>(165,704)</u>
Consolidated profit before tax from continuing operations				<u><u>2,303,156</u></u>
Reportable segment assets	49,745,879	6,686,225	424,075	56,856,179
Capital expenditure	1,082,356	108,205	326,256	1,516,817
Reportable segment liabilities	<u>33,923,285</u>	<u>4,431,646</u>	<u>388,100</u>	<u>38,743,031</u>
<b>2HY2020</b>				
Revenue	37,417,264	497,558	–	37,914,822
Internal revenues	(7,618,826)	–	–	(7,618,826)
External revenues	<u>29,798,438</u>	<u>497,558</u>	<u>–</u>	<u>30,295,996</u>
Interest income	288	–	–	288
Interest expense	(572,578)	(107,486)	–	(680,064)
Depreciation and amortisation	(853,232)	(103,416)	(532)	(957,180)
Reportable segment profit/(loss) before tax	1,681,522	(88,560)	–	1,592,962
Other unallocated expenses	–	–	(58,310)	<u>(58,310)</u>
Consolidated profit before tax from continuing operations				<u><u>1,534,652</u></u>
Reportable segment assets	51,654,828	14,722,065	187,713	66,564,606
Capital expenditure	2,249,016	8,404	4,640	2,262,060
Reportable segment liabilities	<u>40,433,362</u>	<u>10,859,043</u>	<u>384,953</u>	<u>51,677,358</u>

<b>Business Segments Reporting</b>	<b>Marine &amp; Offshore S\$</b>	<b>Property Development S\$</b>	<b>Unallocated S\$</b>	<b>Group S\$</b>
<b>FY2021</b>				
Revenue	68,418,467	7,583,929	–	76,002,396
Internal revenues	(14,187,872)	–	–	(14,187,872)
External revenues	<u>54,230,595</u>	<u>7,583,929</u>	<u>–</u>	<u>61,814,524</u>
Interest income	266	–	–	266
Interest expense	(887,723)	(76,282)	(5,018)	(969,023)
Depreciation and amortisation	(1,552,983)	(82,225)	(29,956)	(1,665,164)
Reportable segment profit/(loss) before tax	4,664,263	(192,959)	–	4,471,304
Other unallocated expenses	–	–	(342,137)	<u>(342,137)</u>
Consolidated profit before tax from continuing operations				<u>4,129,167</u>
Reportable segment assets	49,745,879	6,686,225	424,075	56,856,179
Capital expenditure	1,355,793	118,963	329,048	1,803,804
Reportable segment liabilities	<u>33,923,285</u>	<u>4,431,646</u>	<u>388,100</u>	<u>38,743,031</u>
<b>FY2020</b>				
Revenue	71,437,023	947,450	–	72,384,473
Internal revenues	(13,119,773)	–	–	(13,119,773)
External revenues	<u>58,317,250</u>	<u>947,450</u>	<u>–</u>	<u>59,264,700</u>
Interest income	555	132	–	687
Interest expense	(1,251,432)	(228,543)	–	(1,479,975)
Depreciation and amortisation	(1,654,161)	(210,556)	(765)	(1,865,482)
Reportable segment profit/(loss) before tax	3,422,499	(985,511)	–	2,436,988
Other unallocated expenses	–	–	(409,022)	<u>(409,022)</u>
Consolidated profit before tax from continuing operations				<u>2,027,966</u>
Reportable segment assets	51,654,828	14,722,065	187,713	66,564,606
Capital expenditure	2,556,322	8,405	4,640	2,569,367
Reportable segment liabilities	<u>40,433,362</u>	<u>10,859,043</u>	<u>384,953</u>	<u>51,677,358</u>

- (a) The other unallocated items comprise distribution costs, administrative expenses, other operating expenses and other charges which are centralised and not segmented as these items are not directly attributable to the reportable segments.
- (b) The unallocated assets and liabilities cannot be selectively segmented when they are being deployed and/or incurred, as these items are not directly attributable to the reportable segments.

## 4.2 Disaggregation of revenue

### (a) Types of goods or services and timing of revenue recognition

	Group					
	Marine & offshore S\$	2HY2021 Property develop- ment S\$	Total S\$	Marine & offshore S\$	2HY2020 Property develop- ment S\$	Total S\$
Types of goods or services:						
- Sale of goods	27,815,045	–	27,815,045	29,798,438	–	29,798,438
- Provision of real estate services	–	581,403	581,403	–	497,558	497,558
	<u>27,815,045</u>	<u>581,403</u>	<u>28,396,448</u>	<u>29,798,438</u>	<u>497,558</u>	<u>30,295,996</u>
Timing of revenue recognition:						
- At a point in time	27,815,045	581,403	28,396,448	29,798,438	497,558	30,295,996

	Group					
	Marine & offshore S\$	FY2021 Property develop- ment S\$	Total S\$	Marine & offshore S\$	F2020 Property develop- ment S\$	Total S\$
Types of goods or services:						
- Sale of goods	54,230,595	–	54,230,595	58,317,250	–	58,317,250
- Revenue from property development	–	6,490,000	6,490,000	–	–	–
- Provision of real estate services	–	1,093,929	1,093,929	–	947,450	947,450
	<u>54,230,595</u>	<u>7,583,929</u>	<u>61,814,524</u>	<u>58,317,250</u>	<u>947,450</u>	<u>59,264,700</u>
Timing of revenue recognition:						
- At a point in time	54,230,595	7,583,929	61,814,524	58,317,250	947,450	59,264,700

### (b) Geographical information

	Note	Group					
		Marine & offshore S\$	2HY2021 Property develop- ment S\$	Total S\$	Marine & offshore S\$	2HY2020 Property develop- ment S\$	Total S\$
<b>Revenue</b>							
Singapore		13,177,731	581,403	13,759,134	14,705,044	497,558	15,202,602
Europe	1	7,631,456	–	7,631,456	7,696,443	–	7,696,443
South East Asia	2	3,316,872	–	3,316,872	3,289,123	–	3,289,123
United States of America		1,340,283	–	1,340,283	1,466,946	–	1,466,946
East Asia	3	947,885	–	947,885	1,011,283	–	1,011,283
Middle East	4	589,279	–	589,279	602,307	–	602,307
Other countries	5	811,539	–	811,539	1,027,292	–	1,027,292
Total revenue		<u>27,815,045</u>	<u>581,403</u>	<u>28,396,448</u>	<u>29,798,438</u>	<u>497,558</u>	<u>30,295,996</u>

	Note	Group					
		Marine & offshore S\$	FY2021 Property develop- ment S\$	Total S\$	Marine & offshore S\$	FY2020 Property develop- ment S\$	Total S\$
<b>Revenue</b>							
Singapore		26,946,498	7,583,929	34,530,427	30,469,464	947,450	31,416,914
Europe	1	14,256,193	–	14,256,193	14,388,955	–	14,388,955
South East Asia	2	6,102,300	–	6,102,300	6,024,413	–	6,024,413
United States of America		2,196,921	–	2,196,921	2,820,255	–	2,820,255
East Asia	3	1,913,830	–	1,913,830	1,672,544	–	1,672,544
Middle East	4	1,166,985	–	1,166,985	879,454	–	879,454
Other countries	5	1,647,868	–	1,647,868	2,062,165	–	2,062,165
Total revenue		<u>54,230,595</u>	<u>7,583,929</u>	<u>61,814,524</u>	<u>58,317,250</u>	<u>947,450</u>	<u>59,264,700</u>

**Notes:**

1. Europe include United Kingdom, Cyprus, Denmark, Greece, Germany, Netherlands, Spain, France, Norway, Turkey, Finland, Lithuania, Monaco, Belgium, Switzerland, Sweden and Italy.
2. South East Asia include Philippines, Malaysia, Indonesia, Brunei Darussalam and Thailand.
3. East Asia include Hong Kong, China, South Korea, Japan and Taiwan.
4. Middle East include United Arab Emirates, Oman, Israel, Saudi Arabia and Qatar.
5. Other countries include Nigeria, Marshall Islands, Maldives, Panama, India, Canada, Australia, Brazil and Mexico.

**(c) A breakdown of sales:**

		Group		
		FY2021 S\$'000 Unaudited	FY2020 S\$'000 Unaudited	% Increase/ (Decrease)
First Half				
(a)	Revenue	33,418	28,969	15.4
(b)	Operating profit after tax before deducting non-controlling interests	1,297	176	636.9
Second half				
(a)	Revenue	28,396	30,296	(6.3)
(b)	Operating profit after tax before deducting non-controlling interests	1,934	1,009	91.7

**5. Financial assets and liabilities**

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2021 and 30 June 2020:

	The Group		The Company	
	30 June 2021 S\$	30 June 2020 S\$	30 June 2021 S\$	30 June 2020 S\$
<b>Financial assets at amortised costs</b>				
Trade and other receivables*	9,453,320	10,242,915	5,766,688	4,105,262
Cash and cash equivalents	6,981,664	5,310,252	100,916	94,015
	<u>16,434,984</u>	<u>15,553,167</u>	<u>5,867,604</u>	<u>4,199,277</u>
<b>Financial liabilities at amortised costs</b>				
Fixed rate loans	(6,846,231)	(5,994,834)	–	–
Lease liabilities	(4,699,641)	(5,098,960)	–	–
Other loans and borrowings	(20,774,853)	(33,580,645)	–	–
Trade and other payables^	(5,644,389)	(5,303,726)	(44,483,936)	(43,731,181)
	<u>(37,965,114)</u>	<u>(49,978,165)</u>	<u>(44,483,936)</u>	<u>(43,731,181)</u>
<b>Financial liability at fair value through profit or loss</b>				
Derivatives financial liabilities	(116,211)	(185,596)	–	–

\* Excludes grant receivables, prepayments and advances to suppliers

^ Excludes derivative financial liabilities and deferred grant income

## 5.1 Measurement of fair value

The Group classifies financial liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and
- Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (Level 3)

The following table presented the financial liabilities measured at fair value:

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Group</b>				
<b>30 June 2021</b>				
<b>Financial liability at fair value through profit or loss</b>				
Derivatives financial liabilities	–	(116,211)	–	(116,211)
<b>Group</b>				
<b>30 June 2020</b>				
<b>Financial liability at fair value through profit or loss</b>				
Derivatives financial liabilities	–	(185,596)	–	(185,596)

### Valuation techniques

The fair value of derivative financial liabilities is based on broker quote. Similar contracts are traded in an active market and the quote reflect the actual transactions in similar instruments.

### Transfer between the levels

There were no transfers between the levels during the year.



## 6. Profit before taxation

### 6.1 Significant items

	Group					
	2HY2021	2HY2020	Change	FY2021	FY2020	Change
	Unaudited S\$	Unaudited S\$	%	Unaudited S\$	Audited S\$	%
Bad debts recovered	10,322	–	n.m.	10,322	–	n.m.
Bad debts written off	(989)	(38,817)	(97.5)	(2,142)	(39,089)	(94.5)
Depreciation of investment property	–	(58,791)	n.m.	–	(120,742)	n.m.
Depreciation of property, plant and equipment	(787,942)	(957,180)	(17.7)	(1,665,164)	(1,744,740)	(4.6)
Fair value gain / (loss) on derivatives	69,385	(185,596)	n.m.	69,385	(185,596)	n.m.
Foreign exchange gain / (loss), net	(80,053)	(378,106)	(78.8)	106,750	(396,419)	n.m.
Grant income	321,809	485,510	(33.7)	1,017,306	300,707	238.3
Impairment loss on investment properties	–	(152,000)	n.m.	–	(152,000)	n.m.
Impairment loss on trade and other receivables and contract assets	(206,949)	(316,203)	(34.6)	(111,403)	(265,167)	(58.0)
Interest expense incurred on loans and borrowings	(404,985)	(680,064)	(40.4)	(969,023)	(1,479,975)	(34.5)
Gain / (loss) on disposal of property, plant and equipment	67,798	(2,770)	n.m.	59,471	(1,270)	n.m.
Operating lease expenses	(59,227)	(25,675)	130.7	(85,555)	(52,592)	62.7

### 6.2 Related party transactions

	Group			
	2HY2021 Unaudited S\$	2HY2020 Unaudited S\$	FY2021 Unaudited S\$	FY2020 Audited S\$
<b>Related party transactions</b>				
Rental expenses paid to a related party	(130,880)	(157,056)	(287,936)	(314,112)
<b>Transactions with key management personnel</b>				
Salaries and other short-term employee benefits	959,046	942,201	1,984,586	1,819,295
Post-employment benefits, including employer's contribution to Central Provident Fund	30,910	33,592	57,930	59,260
Fees to directors of the Company	90,000	90,000	169,583	180,000
Share-based payment expense	–	–	–	6,300
	<u>1,079,956</u>	<u>1,065,793</u>	<u>2,212,099</u>	<u>2,064,855</u>

## 7. Taxation

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

	<b>Group</b>			
	<b>2HY2021 Unaudited S\$</b>	<b>2HY2020 Unaudited S\$</b>	<b>FY2021 Unaudited S\$</b>	<b>FY2020 Audited S\$</b>
<b>Current tax expense</b>				
Current year	303,187	526,876	847,242	832,508
Adjustment for prior periods	2,655	(5,687)	(12,555)	6,445
	<u>305,842</u>	<u>521,189</u>	<u>834,687</u>	<u>838,953</u>
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	63,442	4,408	63,443	4,408
Total tax expense	<u>369,284</u>	<u>525,597</u>	<u>898,130</u>	<u>843,361</u>

## 8. Net Asset Value

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>		<b>As at</b>	
	<b>30 June 2021 Unaudited</b>	<b>30 June 2020 Audited</b>	<b>30 June 2021 Unaudited</b>	<b>30 June 2020 Audited</b>
Net asset value (S\$)	18,113,148	14,887,248	(22,126,830)	(23,363,383)
Net asset value per ordinary share (Cents)	7.69	6.32	(9.40)	(9.92)
Number of shares in issue	<u>235,424,614</u>	<u>235,424,614</u>	<u>235,424,614</u>	<u>235,424,614</u>

## 9. Earnings per share

Earnings per ordinary share for the period based on profit attributable to owners of the parent, net of tax:

	<b>Group</b>			
	<b>2HY2021 Unaudited</b>	<b>2HY2020 Unaudited</b>	<b>2021 Unaudited</b>	<b>2020 Audited</b>
Earnings (\$) (Profit attributable to owners of the parent, net of tax)	1,933,872	1,009,055	3,231,037	1,184,605
(i) Based on weighted average number of ordinary shares in issue (cents)	0.82	0.43	1.37	0.50
Weighted average number of ordinary shares	235,424,614	235,424,614	235,424,614	235,060,270
(ii) On a fully diluted basis in issue (cents)	0.82	0.43	1.37	0.50
Weighted average number of ordinary shares	235,424,614	235,424,614	235,424,614	235,060,270

## 10. Property, plant and equipment

During FY2021, the Group acquired assets amounting to S\$776,417 (FY2020: S\$2,461,607), disposed of assets amounting to S\$23,029 (FY2020: S\$4,898) and the proceeds from the disposal of assets amounting to S\$82,500 (FY2020: S\$3,628). During FY2021, property, plant and equipment acquired under lease arrangement amounted to S\$1,027,387 (FY2020: S\$107,760).

## 11. Borrowings

### Amount repayable within one year or on demand

As at 30 June 2021 (S\$)		As at 30 June 2020 (S\$)	
Secured	Unsecured	Secured	Unsecured
20,150,872	–	29,650,009	–

### Amount repayable after one year

As at 30 June 2021 (S\$)		As at 30 June 2020 (S\$)	
Secured	Unsecured	Secured	Unsecured
12,169,853	–	15,024,430	–

### Details of collateral

As at 30 June 2021, the total loans and borrowings comprise:

- bank borrowings of S\$27,621,084, which are secured by corporate guarantee by the Company, first charge on the Group's leasehold land and buildings, and legal mortgages on the Group's development properties; and
- lease liabilities of S\$4,699,641, which are secured over the right-of-use assets.

## 12. Share capital

	Company		Company	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Number of shares	Number of shares	Amount \$	Amount \$
<b>Issued and fully paid ordinary share capital with no par value:</b>				
At beginning and at end of the period	235,424,614	235,424,614	33,035,508	33,035,508

The Company did not hold any subsidiary holdings, treasury shares and convertibles except for the performance share plan as described below as at 30 June 2021.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021 and 30 June 2020.

## **Performance share plan**

The Company's performance share plan, TEHO Performance Share Plan (the "PSP"), was approved and adopted by the shareholders at the Company's Extraordinary General Meeting held on 25 November 2011. The PSP is administered by the Remuneration Committee ("RC") with such discretion, powers and duties as are conferred on it by the Board of Directors.

The PSP contemplates the award of fully-paid shares in the capital of the Company to participants after certain pre-determined benchmarks have been met. The Company believes that the PSP will be more effective and rewarding than pure cash bonuses in motivating employees to work towards pre-determined goals of the Company.

The PSP shall continue to be in force at the discretion of the RC, subject to a maximum period of 10 years commencing from its adoption by the shareholders and may continue beyond the stipulated period with the approval of the shareholders by an ordinary resolution in general meeting and of any relevant authorities which may then be required.

Under the rules of the PSP and at the absolute discretion of the RC, confirmed full-time employees of the group who are of the age of 18 years and above, and directors of the group who have contributed or will contribute to the success and the development of the group are eligible to participate in the PSP. However, participation in the PSP by the directors who are also controlling shareholders and their associates are subject to the approval by independent shareholders of the Company at general meeting.

The total number of shares that may be issued or are issuable pursuant to the granting of the awards under the PSP, when added to the aggregate number of shares that are issued or are issuable in respect of such other share-based incentive schemes of the Company (if any), shall not exceed 15% (or such other percentage as may be prescribed or permitted from time to time by the SGX-ST) of the total number of issued ordinary shares of the Company on the day immediately preceding the relevant grant date.

## **13. Subsequent events**

On 10 May 2021, the Group entered into a commercial contract with a third-party vendor in relation to a proposed acquisition of a property situated in Texas, Houston for a purchase consideration of US\$1,850,000 (approximately S\$2,454,210).

The proposed acquisition will be completed on 31 August 2021 or at a later date mutually agreed by the Group and the vendor.

## **G. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C**

### **1. Review**

The condensed interim consolidated statements of financial position of the Company and its subsidiaries as at 30 June 2021 and the related condensed interim consolidated statement of profit or loss, condensed consolidated interim statement of comprehensive income, condensed interim consolidated statements of changes in equity and condensed interim consolidated statement of cash flows for the six months and full year ended 30 June 2021 and certain explanatory notes have not been audited or reviewed.

The Group's latest audited financial statements for the financial year ended 30 June 2020 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

### **2. 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.**

	<b>As at 30 June 2021</b>	<b>As at 30 Jun 2020</b>
Total number of issued shares (excluding treasury shares)	235,424,614	235,424,614

The Company did not have any treasury shares as at 30 June 2021 and 30 June 2020.

### **3. A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during the current financial period reported on.

### **4. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings during the current financial period reported on.

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

The figures have not been audited nor reviewed by auditors.

### **6. Where the figures have been audited or reviewed, the auditor's report (including any modifications or emphasis of a matter).**

The figures have not been audited nor reviewed by auditors.

**7. 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 issues on the financial statements have been adequately disclosed.**

Not applicable.

**8. Review of the performance of the Group**

**Financial Performance Review**

*Revenue*

Revenue increased by S\$2.5 million or 4.3% to S\$61.8 million for the financial year ended 30 June 2021 ("FY2021") from S\$59.3 million for the financial year ended 30 June 2020 ("FY2020").

- Marine & Offshore Segment revenue in FY2021 decreased by 7.0% or S\$4.1 million in FY2021 as compared to FY2020. The decrease was mainly attributable to decreased revenue contribution from the mooring and rigging business. The water treatment and engineering business contributed to a decrease of S\$0.7 million and S\$0.4 million respectively.
- Revenue contribution from Property Segment increased by S\$6.6 million in FY2021 as compared to FY2020. The increase was attributable to the sale of a detached landed property.

*Gross profit*

The Group's gross profit of S\$21.8 million in FY2021 decreased by S\$0.3 million or 1.3% from S\$22.1 million in FY2020. The Group's gross profit margin also decreased to 35.3% in FY2021 as compared to 37.3% in FY2020.

- Marine & Offshore Segment contributed gross profit of S\$20.5 million to the Group in FY2021 as compared to S\$21.2 million in FY2020. Despite the decrease in gross profit, the gross profit margin increased to 37.8% in FY2021 from 36.3% in FY2020. The increase in gross profit margin was mainly due to change in sales mix.
- Property Segment contributed gross profit of S\$1.3 million to the Group in FY2021, of which S\$1.1 million was contributed by the Group's property consultancy business.

*Other operating income*

Other income increased by S\$0.6 million or 78.0% to S\$1.4 million in FY2021 from S\$0.8 million in FY2020. The increase was mainly due to the receipt of the Singapore Government's Job Support Scheme payouts of S\$0.8 million which was recognised in FY2021. The increase was offset by the absence of rental income from investment properties which were disposed of in the current year.

*Distribution expenses*

Distribution expenses decreased by S\$0.2 million or 12.1% to S\$1.2 million in FY2021 from S\$1.4 million in FY2020. The decrease was mainly due to cancellation of business travel and trade exhibition as a result of the travel bans and restrictions arising from the COVID-19 pandemic.

*Administrative expenses*

Administrative expenses decreased by S\$47,000 or 0.4% mainly due to reduction in bank charges and employee benefit expenses.

*Other operating expenses*

Other operating expenses decreased by S\$1.0 million in FY2021. The decrease was mainly due to:

- Absence of foreign exchange loss by S\$0.4 million due to fluctuation in United States Dollar (“USD”) against Singapore Dollar (“SGD”).
- Absence of fair value loss on interest rate swap of S\$0.2 million.
- Decrease in impairment loss on trade and other receivables and contract assets by S\$0.1 million.
- Absence of impairment loss on investment property of S\$0.1 million.
- Decrease in depreciation of property, plant and equipment and investment properties by S\$0.2 million, which is due mainly to the absence of depreciation on investment properties as it had been disposed of during the year.
- Decrease in bad debts written off by S\$37,000 to S\$2,000 in FY2021 from S\$39,000 in FY2020.
- Decrease in transportation, entertainment, telecommunication and general expenses by S\$16,000 as most of the employees were working from home due to the COVID-19 pandemic.

#### *Finance income*

The decrease in the Group’s finance income, comprising mainly interest income from bank deposits, remained insignificant for FY2021.

#### *Finance costs*

Finance costs decreased by S\$0.5 million or 34.5% in FY2021 from S\$1.5 million in FY2020. The decrease was mainly due to lower interest rates in FY2021 and repayment of term loans.

#### *Income tax expense*

In FY2021, the Group incurred an income tax expense of S\$0.9 million as compared to S\$0.8 million in FY2020.

#### *Profit for the year*

Combining the profit before tax of S\$4.7 million for the Marine & Offshore Segment, loss before tax of S\$0.2 million for the Property Development Segment and the unallocated head office expenses of S\$0.4 million, the Group’s profit before tax was S\$4.1 million in FY2021 as compared to a profit before tax of S\$2.0 million in FY2020. After accounting for income tax of S\$0.9 million, the Group’s profit for FY2021 is S\$3.2 million as compared to a profit of S\$1.2 million in FY2020.

### **Financial Position Review**

#### *Non-current assets*

Non-current assets decreased to S\$13.3 million as at 30 June 2021 from S\$13.6 million as at 30 June 2020. This decrease was mainly due to the following:

- Depreciation of property, plant and equipment of S\$0.3 million.
- Utilisation of deferred tax assets in current year of S\$0.1 million.

The decrease was offset by the following:

- Investment in associates of S\$0.1 million, comprising of a 26% equity interest in Paneltec Pte. Ltd. in September 2020.

#### *Current assets*

Current assets of S\$43.6 million as at 30 June 2021 decreased by S\$9.3 million or 17.7% from S\$52.9 million as at 30 June 2020. The decrease was mainly due to the following:

- Assets held for sale decreased by S\$3.2 million following the disposal of two leasehold properties in the current year.

- Inventories decreased by S\$1.1 million from S\$22.3 million as at 30 June 2020 to S\$21.2 million as at 30 June 2021. The decrease in inventory is in line with the decrease in sales of Marine & Offshore Segment's revenue in FY2021. Despite the decrease in the inventory, the inventory turnover days for Marine & Offshore Segment in FY2021 increased to 236 days from 210 days in FY2020. The increase in inventory turnover days was mainly due to slowdown in sales during the year.
- Development properties decreased by S\$5.4 million from S\$10.8 million as at 30 June 2020 to S\$5.4 million as at 30 June 2021. The decrease was due to the sale of the Farleigh Avenue project during the period.
- Trade and other receivables decreased by S\$1.2 million, which is in line with the decrease in sales of Marine & Offshore Segment's revenue in FY2021.
- Tax recoverable decreased by S\$0.1 million

The decrease stated above was offset by the increase in cash and cash equivalents by S\$1.7 million. Please refer to the "Cash Flows Review" section below for details.

#### *Non-current liabilities*

Non-current liabilities decreased by S\$3.0 million or 19.3% to S\$12.3 million as at 30 June 2021 from S\$15.3 million as at 30 June 2020. The decrease was mainly due to the following:

- Non-current portion of loans and borrowings decreased by S\$2.8 million, mainly due to (i) reclassification of land and construction loans of S\$3.3 million to current portion and (ii) repayment of term loans of S\$2.1 million. The decreases were offset by S\$2.6 million increase in term loans.
- Decrease in lease liabilities by S\$0.1 million as a result of payments of lease liabilities of S\$0.3 million and termination of lease contracts of S\$0.3 million. The decreases were mitigated by addition of new leases of S\$0.5 million.
- Fair value adjustment on derivatives financial liabilities of S\$0.1 million.

#### *Current liabilities*

Current liabilities decreased by S\$10.0 million or 27.4% to S\$26.4 million as at 30 June 2021 from S\$36.4 million as at 30 June 2020. The decrease was mainly due to the following:

- Decrease in lease liabilities of S\$0.3 million as a result of payments of lease liabilities of S\$0.6 million and termination of lease contracts of S\$0.2 million. The decreases were mitigated by addition of new leases of S\$0.5 million.
- Current portion of loans and borrowings decreased by S\$9.2 million, mainly due to (i) repayment of land and construction loans of S\$4.5 million as the Group sold its development at 88 Farleigh Avenue and (ii) repayment of term loans and trust receipts of S\$28.5 million. The decreases were offset by a reclassification of land and construction loans of S\$3.3 million from the non-current portion as well as a S\$20.5 million increase in term loans and trust receipts.
- Trade and other payables decreased by S\$0.1 million due to decrease in purchases as a result of decrease in Marine & Offshore Segment revenue in FY2021.
- Contract liabilities decreased by S\$0.1 million.
- Current tax liabilities decreased by S\$0.3 million.

#### *Shareholders' equity*

Shareholders' equity increased by S\$3.2 million or 21.7% to S\$18.1 million as at 30 June 2021 from S\$14.9 million as at 30 June 2020. The increase was mainly due to the net profit recorded for FY2021 amounting to S\$3.2 million.

### **Cash Flows Review**

#### *Cash flows from operating activities*

Operating cash inflows before changes in working capital was S\$6.7 million in FY2021. Net cash inflow used in working capital was S\$7.6 million due to the following:



- Cash inflows arising from a decrease in inventories of S\$1.2 million;
- Cash inflows arising from a decrease in development properties of S\$5.5 million;
- Cash outflows arising from an increase in contract costs of S\$0.1 million;
- Cash inflows arising from a decrease in trade and other receivables of S\$1.1 million;
- Cash inflows arising from a decrease in contract assets of S\$0.1 million;
- Cash outflows arising from an increase in trade and other payables of S\$0.1 million; and
- Cash outflows arising from an increase in contract liabilities of S\$0.1 million.

After deducting income taxes paid of S\$1.0 million, net cash from operating activities in FY2021 was S\$13.3 million.

#### *Cash flows from investing activities*

Net cash from investing activities in FY2021 was S\$2.4 million, attributed to the following:

- Investment in an associate company amounting to S\$0.1 million;
- Purchase of property, plant and equipment by the Marine & Offshore Segment totalling S\$0.8 million;
- Proceeds from sale of assets held for sale amounting to S\$3.2 million; and
- Proceeds from sale of plant and equipment amounting to S\$0.1 million.

#### *Cash flows from financing activities*

Net cash used in financing activities in FY2021 was S\$14.0 million, mainly attributable to the following:

- Interest paid of S\$1.1 million;
- Repayment of bank borrowings and lease liabilities totalling S\$36.0 million; and
- Proceeds from bank borrowings amounting to S\$23.1 million.

As a result of the above, cash and cash equivalents increased by approximately S\$1.7 million during FY2021. Cash and cash equivalents as at 30 June 2021 were S\$7.0 million.

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

No forecast or prospect statement had been previously disclosed.

### **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.**

#### **Marine & Offshore Segment**

The COVID-19 pandemic continues to undermine the global economy and business environment as some countries re-impose lockdowns amid the resurgence of COVID-19 driven by the Delta variant. The Group continues to maintain a cautious outlook for the rest of the financial year.

We will continue to be progressive in our mooring and rigging business by exploring and assessing accretive business opportunities while being prudent with operational cost management.

#### **Property Development Segment**

We expect the operating conditions in the property development segment to remain challenging due to constraints in manpower, higher operating costs and time resources, in view of the prevailing COVID-19 pandemic.

Notwithstanding the current economic climate, we remain vigilant in our Property Development Segment with an emphasis of maintaining good cash conservation and cost management measures.

## 11. Dividend information

If a decision regarding dividend has been made:

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

No.

**(b)(i) Amount per share**

Not applicable

**(b)(ii) Previous corresponding period**

No dividends were declared or recommended in the previous corresponding period.

**(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.**

Not applicable

**(d) The date the dividend is payable**

Not applicable

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable

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

After considering the cash flow requirements of the Group and to be prudent, no dividend has been recommended for the financial year ended 30 June 2021.

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

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

The aggregate value of interested person transactions entered into during FY2021 are as follows:

Name of interested person	Nature of Relationship	Aggregate value of all interested person transaction 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)
Asdev Investments Pte. Ltd. - Rental of office space	Mr Lim See Hoe, a Chief Executive Officer and controlling shareholder of the Company, is a director and sole shareholder of Asdev Investments Pte. Ltd.	S\$  287,936	S\$  –

**14. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

**15. Review of performance of the Group – turnover and earnings**

Please refer to Section 8 above for further details.

**16. Disclosure of persons occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or CEO or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules in the format below. If there are no such persons, the Company must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Siew Choo	67	Sister of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder) and Lim Siew Cheng (Executive Director, Chief Operating Officer and substantial shareholder)	General Administration Director since 2004 and is responsible for the day-to-day operations, statutory matters, recruitment and staff welfare of the Group	Not applicable

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director, CEO and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Soare Siew Lian	62	Sister of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder) and Lim Siew Cheng (Executive Director, Chief Operating Officer and substantial shareholder)	CEO of USA Operations since 2008 and is responsible for marketing and securing new customers in USA for the Group	Not applicable
Tan Wee Lee	42	Brother-in-law of Lim See Hoe (Executive Chairman, Chief Executive Officer and substantial shareholder)	Senior Supply Chain and IT Manager. He was redesignated to the position since 1 July 2021 and is responsible for supply and production management of goods and IT functions at TEHO Ropes & Supplies Pte Ltd.	Quality and Technical/ Factory Manager of TEHO Ropes & Supplies Pte Ltd since 1 July 2011 to 30 June 2021.

Lim Siew Choo is presently a substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

**Lim See Hoe**

**Executive Chairman and Chief Executive Officer**

**24 August 2021**