



TIONG WOON CORPORATION HOLDING LTD
(Company Registration No. 199705837C)

Condensed interim financial statements
For the six months and full year ended 30 June 2022

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group					
		6 months ended		Increase/ (Decrease)	12 months ended		Increase/ (Decrease)
		30 June	30 June		30 June	30 June	
		2022	2021	2022	2021		
\$'000	\$'000	%	\$'000	\$'000	%		
Revenue	4	61,638	60,490	2	122,588	112,949	9
Cost of sales		(37,967)	(36,989)	3	(73,247)	(70,510)	4
Gross profit		23,671	23,501	1	49,341	42,439	16
Other income		1,395	1,818	(23)	2,610	4,470	(42)
Impairment loss on financial assets - net		(2,190)	(1,049)	109	(2,223)	(1,557)	43
Other (losses)/gains - net		(145)	287	NM	(459)	(1,872)	(75)
Expenses							
- Administrative		(534)	(523)	2	(1,129)	(1,049)	8
- Other operating		(14,928)	(13,733)	9	(28,969)	(25,761)	12
- Finance		(1,454)	(1,322)	10	(2,766)	(2,973)	(7)
Share of profit/(loss) of associated companies		69	20	245	(13)	100	NM
Share of (loss)/profit of a joint venture		-	(4)	(100)	-	30	(100)
Profit before income tax		5,884	8,995	(35)	16,392	13,827	19
Income tax expense	7	(2,304)	(2,672)	(14)	(5,064)	(4,015)	26
Total profit		3,580	6,323	(43)	11,328	9,812	15
Other comprehensive (loss)/income:							
Items that may be subsequently reclassified to profit or loss:							
Currency translation differences arising from consolidation							
- (Losses)/gains		(375)	(355)	6	(448)	1,179	NM
Total comprehensive income		3,205	5,968	(46)	10,880	10,991	(1)
Profit/(loss) attributable to:							
Equity holders of the Company		3,632	6,359	(43)	11,391	9,873	15
Non-controlling interest		(52)	(36)	44	(63)	(61)	3
		3,580	6,323	(43)	11,328	9,812	15
Total comprehensive income/(loss) attributable to:							
Equity holders of the Company		3,249	6,007	(46)	10,935	11,059	(1)
Non-controlling interest		(44)	(39)	13	(55)	(68)	(19)
		3,205	5,968	(46)	10,880	10,991	(1)
Earnings per share attributable to the equity holders of the Company							
Basic (SGD in cent)		1.56	2.74	(43)	4.90	4.25	15
Diluted (SGD in cent)		1.56	2.74	(43)	4.90	4.25	15

Denotes: NM - not meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		As at 30 June 2022 \$'000	As at 30 June 2021 \$'000	As at 30 June 2022 \$'000	As at 30 June 2021 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		55,974	45,512	366	800
Financial assets, at fair value through profit or loss	10	211	294	-	-
Trade and other receivables		51,470	47,081	-	-
Tax recoverable		42	121	-	-
Inventories		2,128	1,895	-	-
Other assets		2,032	1,752	9	9
		111,857	96,655	375	809
Non-current assets					
Other assets		1,196	-	-	-
Other receivables		-	535	43,239	43,131
Investments in associated companies		2,969	2,898	1,020	1,020
Investments in subsidiaries		-	-	44,884	44,884
Property, plant and equipment	11	346,654	346,867	-	-
Right-of-use assets		13,183	11,872	-	-
Deferred income tax assets		398	503	-	-
		364,400	362,675	89,143	89,035
Total assets		476,257	459,330	89,518	89,844
LIABILITIES					
Current liabilities					
Trade and other payables		40,597	35,378	259	277
Current income tax liabilities		4,817	2,998	-	-
Borrowings	12	21,191	19,053	-	-
		66,605	57,429	259	277
Non-current liabilities					
Trade and other payables		5,361	4,761	-	-
Borrowings	12	95,083	97,981	-	-
Deferred income tax liabilities		28,313	28,215	-	-
		128,757	130,957	-	-
Total liabilities		195,362	188,386	259	277
NET ASSETS		280,895	270,944	89,259	89,567
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	13	87,340	87,340	87,340	87,340
Other reserves		(882)	(426)	-	-
Retained earnings		194,466	184,004	1,919	2,227
		280,924	270,918	89,259	89,567
Non-controlling interest		(29)	26	-	-
Total equity		280,895	270,944	89,259	89,567

C. Condensed interim statements of changes in equity

<u>Group</u>	<u>Attributable to equity holders of the Company</u>					Total Equity \$'000
	Share Capital \$'000	Other Reserves \$'000	Retained Earnings \$'000	Total \$'000	Non- controlling Interest \$'000	
Balance at 1 July 2021	87,340	(426)	184,004	270,918	26	270,944
Total comprehensive income for the financial year	-	(456)	11,391	10,935	(55)	10,880
Dividend relating to 2021 paid	-	-	(929)	(929)	-	(929)
Balance at 30 June 2022	87,340	(882)	194,466	280,924	(29)	280,895

Balance at 1 July 2020	87,340	(2,964)	174,828	259,204	94	259,298
Total comprehensive income for the financial year	-	1,186	9,873	11,059	(68)	10,991
Asset acquisition	-	1,352	-	1,352	-	1,352
Dividend relating to 2020 paid	-	-	(697)	(697)	-	(697)
Balance at 30 June 2021	87,340	(426)	184,004	270,918	26	270,944

Company

	Share Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 1 July 2021	87,340	2,227	89,567
Total comprehensive income for the financial year	-	621	621
Dividend relating to 2021 paid	-	(929)	(929)
Balance at 30 June 2022	87,340	1,919	89,259

Balance at 1 July 2020	87,340	2,331	89,671
Total comprehensive income for the financial year	-	593	593
Dividend relating to 2020 paid	-	(697)	(697)
Balance at 30 June 2021	87,340	2,227	89,567

D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended	
	30 June 2022	30 June 2021
	\$'000	\$'000
Cash flows from operating activities		
Total profit	11,328	9,812
Adjustments for:		
Income tax expense	5,064	4,015
Bad debt written off	-	7
Depreciation of property, plant and equipment	30,650	30,831
Depreciation of right-of-use assets	1,242	1,219
Gain on disposal of property, plant and equipment	(290)	(786)
Fair value loss on financial assets, at fair value through profit or loss	82	30
Impairment loss on trade receivables - net	2,223	1,578
Impairment written back on other receivables	-	(21)
Interest income	(379)	(220)
Interest expense	2,766	2,975
Loss on disposal of interest in an associated company	-	8
Share of loss/(profit) of associated companies	13	(100)
Share of profit of a joint venture	-	(30)
Translation differences	1,036	1,312
Operating cash flow before working capital changes	53,735	50,630
Change in operating assets and liabilities		
Inventories	(232)	246
Trade and other receivables	(6,595)	(3,096)
Other current assets	(280)	(599)
Trade and other payables	(6,734)	(14,144)
Cash generated from operations	39,894	33,037
Income tax paid	(2,932)	(3,978)
Net cash provided by operating activities	36,962	29,059
Cash flows from investing activities		
Purchase of property, plant and equipment	(13,211)	(7,965)
Purchase of structured deposits	(1,196)	-
Fixed deposits (pledged)/unpledged	(277)	200
Interest received	379	220
Asset acquisition	-	627
Proceed from disposal of shareholding in an associated company	-	3
Proceeds from disposal of property, plant and equipment	4,526	1,821
Net cash used in investing activities	(9,779)	(5,094)
Cash flows from financing activities		
Proceeds from bank borrowings	10,073	11,383
Principal repayment of bank borrowings	(8,523)	(5,294)
Repayment of other secured borrowings	(13,752)	(18,947)
Principal repayments of lease liabilities	(1,114)	(1,077)
Interest paid	(2,753)	(3,005)
Dividends paid to equity holders of the Company	(929)	(697)
Net cash used in financing activities	(16,998)	(17,637)
Net increase in cash and cash equivalents	10,185	6,328
Cash and cash equivalents at beginning of financial year	44,837	38,509
Cash and cash equivalents at end of financial year	55,022	44,837
Cash and cash equivalents at end of financial year	55,974	45,512
Less: Bank deposits pledged	(952)	(675)
Cash and cash equivalents per statement of cash flows	55,022	44,837

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Tiong Woon Corporation Holding Ltd (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is No. 15 Pandan Crescent, Singapore 128470.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are:

- (a) Hiring out of cranes and transport;
- (b) Selling, servicing and leasing of equipment in the petroleum, construction, shipbuilding and related industries; and
- (c) Marine or transportation logistics related business

2. Basis of preparation

The condensed interim financial statements for the six months period and the financial year ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 31 December 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 New and amended standards adopted by the Group

On 1 July 2021, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the current financial period and financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial periods and financial years.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. 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 financial year ended 30 June 2021.

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.

2.2 Use of judgements and estimates (continued)

(a) Impairment of property, plant and equipment - Machinery, tug boats and barges

The machinery, tug boats and barges are tested for impairment whenever there is an objective evidence or indication that they may be impaired. An impairment loss is recognised to the extent that the carrying amount is more than its recoverable amount. The recoverable amount is determined based on the fair value less costs of disposal.

As at 30 June 2022, management has not identified any indicators of impairment relating to the machinery, tug boats and barges of the Group.

(b) Impairment of trade receivables

Management reviews its trade receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

As at 30 June 2022, the Group's net trade receivables amounted to \$41.2 million (30 June 2021: \$39.1 million), arising from the Group's different revenue segments as disclosed in Note 4.1. Based on the Group's historical credit loss experience, trade receivables exhibited different loss patterns depending on the type of trade receivables that are grouped based on shared credit risk characteristics. Accordingly, management has determined expected loss rates for each of the trade receivables. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

As at 30 June 2022, the impairment loss allowance for trade receivables was \$29.0 million (30 June 2021: \$26.3 million). The Group's trade receivables included one debtor, whose debt amounted to \$12.0 million (30 June 2021: \$11.6 million) which is aged more than 365 days. Allowance for impairment of \$12.0 million (30 June 2021: \$11.6 million) has been made for this debt.

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: Heavy Lift & Haulage;
- Segment 2: Marine Transportation; and
- Segment 3: Trading

These operating segments are reported in a manner consistent with internal reporting provided to Senior Management of the Group who are responsible for allocating resources and assessing performance of the operating segments. The Senior Management of the Group comprises the Executive Chairman, Executive Directors and key senior management personnel of the Group.

4.1. Reportable segments

	Heavy Lift & Haulage	Marine Transportation	Trading	Total
	\$'000	\$'000	\$'000	\$'000
1 January 2022 to 30 June 2022 (FY2022-2H)				
Revenue				
-external sales	56,876	1,689	3,073	61,638
-inter-segment sales	222	631	-	853
	<u>57,098</u>	<u>2,320</u>	<u>3,073</u>	<u>62,491</u>
Elimination				<u>(853)</u>
				<u>61,638</u>
Segment result	8,129	(1,259)	257	7,127
Depreciation - property, plant and equipment				(1,465)
Depreciation - ROU assets				(252)
Other income				1,395
Other losses - net				(145)
Finance costs				(845)
Share of profit of associated companies	4	65	-	69
Profit before income tax				<u>5,884</u>
Income tax expense				<u>(2,304)</u>
Net profit				<u>3,580</u>
Other segment items				
Capital expenditure				
- property, plant and equipment	15,278	-	-	15,278
- ROU assets	2,553	-	-	2,553
Depreciation - property, plant and equipment	13,452	521	7	13,980
Depreciation - ROU assets	387	-	-	387
Segment assets	396,694	5,107	461	402,262
Investment in associated companies	16	2,953	-	2,969
Unallocated assets				71,026
Consolidated total assets				<u>476,257</u>
Segment liabilities	(102,294)	(613)	(168)	(103,075)
Unallocated liabilities				(92,287)
Consolidated total liabilities				<u>(195,362)</u>

4.1. Reportable segments (continued)

	Heavy Lift & Haulage	Marine Transportation	Trading	Total
	\$'000	\$'000	\$'000	\$'000
1 January 2021 to 30 June 2021 (FY2021-2H)				
Revenue				
-external sales	58,194	2,294	2	60,490
-inter-segment sales	197	1,065	-	1,262
	<u>58,391</u>	<u>3,359</u>	<u>2</u>	<u>61,752</u>
Elimination				<u>(1,262)</u>
				<u>60,490</u>
Segment result	8,519	(316)	(7)	8,196
Other income				1,818
Other gains - net				287
Finance costs				(1,322)
Share of (loss)/profit of associated companies	(16)	36	-	20
Share of loss of a joint venture	(4)	-	-	(4)
Profit before income tax				<u>8,995</u>
Income tax expense				<u>(2,672)</u>
Net profit				<u>6,323</u>
Other segment items				
Capital expenditure				
- property, plant and equipment	11,413	236	-	11,649
- ROU assets	778	-	-	778
Depreciation - property, plant and equipment	14,611	696	8	15,315
Depreciation - ROU assets	638	-	-	638
Segment assets	374,273	7,754	417	382,444
Investment in associated companies	71	2,827	-	2,898
Unallocated assets				<u>73,988</u>
Consolidated total assets				<u>459,330</u>
Segment liabilities	(82,689)	(977)	(23)	(83,689)
Unallocated liabilities				<u>(104,697)</u>
Consolidated total liabilities				<u>(188,386)</u>

4.1. Reportable segments (continued)

	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
1 July 2021 to 30 June 2022 (FY2022)				
Revenue				
-external sales	115,936	3,576	3,076	122,588
-inter-segment sales	411	1,096	-	1,507
	116,347	4,672	3,076	124,095
Elimination				
				(1,507)
				122,588
Segment result				
Depreciation - property, plant and equipment				(2,924)
Depreciation - ROU assets				(505)
Other income				2,610
Other losses - net				(459)
Finance costs				(1,540)
Share of (loss)/profit of associated companies	(55)	42	-	(13)
Profit before income tax				16,392
Income tax expense				(5,064)
Net profit				11,328
Other segment items				
Capital expenditure				
- property, plant and equipment	35,599	101	-	35,700
- ROU assets	2,553	-	-	2,553
Depreciation - property, plant and equipment	26,531	1,180	15	27,726
Depreciation - ROU assets	737	-	-	737
Segment assets	396,694	5,107	461	402,262
Investment in associated companies	16	2,953	-	2,969
Unallocated assets				71,026
Consolidated total assets				476,257
Segment liabilities	(102,294)	(613)	(168)	(103,075)
Unallocated liabilities				(92,287)
Consolidated total liabilities				(195,362)
1 July 2020 to 30 June 2021 (FY2021)				
Revenue				
-external sales	108,912	3,643	394	112,949
-inter-segment sales	619	1,635	-	2,254
	109,531	5,278	394	115,203
Elimination				
				(2,254)
				112,949
Segment result				
Depreciation - property, plant and equipment	16,803	(962)	81	15,922
Depreciation - ROU assets				(2,903)
Other income				(505)
Other losses - net				4,470
Finance costs				(1,872)
Share of (loss)/profit of associated companies				(1,415)
Share of (loss)/profit of associated companies	(10)	110	-	100
Share of profit of a joint venture	30	-	-	30
Profit before income tax				13,827
Income tax expense				(4,015)
Net profit				9,812
Other segment items				
Capital expenditure				
- property, plant and equipment	20,766	918	-	21,684
- ROU assets	778	-	-	778
Depreciation - property, plant and equipment	26,363	1,550	15	27,928
Depreciation - ROU assets	714	-	-	714
Segment assets	374,273	7,754	417	382,444
Investment in associated companies	71	2,827	-	2,898
Unallocated assets				73,988
Consolidated total assets				459,330
Segment liabilities	(82,689)	(977)	(23)	(83,689)
Unallocated liabilities				(104,697)
Consolidated total liabilities				(188,386)

4.2. Disaggregation of revenue

	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
1 January 2022 to 30 June 2022 (FY2022-2H)				
Types of goods or service:				
Rendering of services	11,033	35	-	11,068
Trading sales of equipment and spare parts	200	-	3,074	3,274
Total revenue from contracts with customers	11,233	35	3,074	14,342
Rental income	45,643	1,653	-	47,296
Total revenue	56,876	1,688	3,074	61,638
Timing of revenue recognition:				
At a point in time	200	-	3,074	3,274
Over time	11,033	35	-	11,068
Total revenue from contracts with customers	11,233	35	3,074	14,342
Geographical information:				
Singapore	45,715	35	2,889	48,639
Middle East	1,166	-	-	1,166
India	5,100	425	175	5,700
Malaysia	1,016	26	-	1,042
Thailand	363	221	-	584
Indonesia	1,857	-	10	1,867
China	481	-	-	481
Other countries	1,178	981	-	2,159
Total revenue	56,876	1,688	3,074	61,638
1 January 2021 to 30 June 2021 (FY2021-2H)				
Types of goods or service:				
Rendering of services	9,785	231	-	10,016
Trading sales of equipment and spare parts	-	-	2	2
Total revenue from contracts with customers	9,785	231	2	10,018
Rental income	48,409	2,063	-	50,472
Total revenue	58,194	2,294	2	60,490
Timing of revenue recognition:				
At a point in time	-	-	2	2
Over time	9,785	231	-	10,016
Total revenue from contracts with customers	9,785	231	2	10,018
Geographical information:				
Singapore	44,922	363	2	45,287
Brunei	3,106	1	-	3,107
Middle East	1,142	-	-	1,142
India	1,444	-	-	1,444
Malaysia	634	255	-	889
Thailand	505	365	-	870
Indonesia	4,546	34	-	4,580
China	907	-	-	907
Other countries	988	1,276	-	2,264
Total revenue	58,194	2,294	2	60,490

4.2. Disaggregation of revenue (continued)

	Heavy Lift & Haulage \$'000	Marine Transportation \$'000	Trading \$'000	Total \$'000
FY2022				
Types of goods or service:				
Rendering of services	18,304	44	-	18,348
Trading sales of equipment and spare parts	200	-	3,076	3,276
Total revenue from contracts with customers	18,504	44	3,076	21,624
Rental income	97,432	3,532	-	100,964
Total revenue	115,936	3,576	3,076	122,588
Timing of revenue recognition:				
At a point in time	200	-	3,076	3,276
Over time	18,304	44	-	18,348
Total revenue from contracts with customers	18,504	44	3,076	21,624
Geographical information:				
Singapore	92,585	254	2,891	95,730
Middle East	2,383	-	-	2,383
India	8,044	538	175	8,757
Malaysia	1,626	28	-	1,654
Thailand	759	451	-	1,210
Indonesia	5,715	-	10	5,725
China	1,246	-	-	1,246
Other countries	3,578	2,305	-	5,883
Total revenue	115,936	3,576	3,076	122,588
FY2021				
Types of goods or service:				
Rendering of services	18,614	293	-	18,907
Trading sales of equipment and spare parts	-	-	394	394
Total revenue from contracts with customers	18,614	293	394	19,301
Rental income	90,298	3,350	-	93,648
Total revenue	108,912	3,643	394	112,949
Timing of revenue recognition:				
At a point in time	-	-	394	394
Over time	18,614	293	-	18,907
Total revenue from contracts with customers	18,614	293	394	19,301
Geographical information:				
Singapore	87,604	445	394	88,443
Brunei	3,706	14	-	3,720
Middle East	1,891	-	-	1,891
India	3,922	-	-	3,922
Malaysia	1,694	1,098	-	2,792
Thailand	1,244	365	-	1,609
Indonesia	4,721	288	-	5,009
China	1,913	-	-	1,913
Other countries	2,217	1,433	-	3,650
Total revenue	108,912	3,643	394	112,949

With the exception of Singapore, no other individual country or region contributed more than 10% of the Group's revenue.

4.2. Disaggregation of revenue (continued)

A breakdown of sales:

	Group		Increase/ (Decrease) %
	FY2022 \$'000	FY2021 \$'000	
Sales reported for first half year	60,950	52,459	16%
Profit after tax reported for first half year	7,748	3,489	122%
Sales reported for second half year	61,638	60,490	2%
Profit after tax reported for second half year	3,580	6,323	(43%)

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 30 June 2021:

	Group		Company	
	As at 30 June 2022 \$'000	As at 30 June 2021 \$'000	As at 30 June 2022 \$'000	As at 30 June 2021 \$'000
Financial Assets				
Cash and bank balances and trade and other receivables (Amortised cost)	106,585	91,981	366	800
Financial assets, at fair value through profit or loss	211	294	-	-
	106,796	92,275	366	800
Financial Liabilities				
Trade and other payables and borrowings (Amortised cost)	156,137	150,999	259	277

6. Profit before taxation

6.1 Significant items

	Group			
	6 months ended		12 months ended	
	30 June 2022 \$'000	30 June 2021 \$'000	30 June 2022 \$'000	30 June 2021 \$'000
Income				
Interest income	183	143	379	220
Insurance claims received	173	108	324	208
Government grant	921	1,541	1,762	3,963
Miscellaneous gains	118	17	145	79
Expenses				
Depreciation of property, plant and equipment	(15,445)	(15,315)	(30,650)	(30,831)
Depreciation of right-of-use assets	(639)	(638)	(1,242)	(1,219)
Currency exchange loss - net	(739)	(368)	(666)	(2,620)
Gain on disposal of property, plant and equipment	638	685	290	786
Loss on disposal of interest in an associated company	-	(8)	-	(8)
Fair value loss on financial assets, at fair value through profit or loss	(44)	(11)	(82)	(30)
Bad debt written off	-	-	-	(7)
Impairment loss on trade receivables	(2,463)	(1,240)	(2,579)	(1,970)
Impairment loss on trade receivables written back	273	184	356	392
Impairment loss on other receivables written back	-	7	-	21
Interest expense	(1,454)	(1,334)	(2,766)	(2,975)
(Under)/over provision in prior years' current income tax	(71)	(129)	40	(139)
Under provision in prior years' deferred tax	(236)	(177)	(236)	(177)

6.2 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	12 months ended	
	30 June 2022 \$'000	30 June 2021 \$'000
Sales to corporations in which certain directors or their close family members have control or significant influence over:		
- Sales and rental of equipment and rendering of services	334	476
Purchases from corporations in which certain directors or their close family members have control or significant influence over:		
- Rental of equipment	139	71

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	12 months ended	
	30 June 2022 \$'000	30 June 2021 \$'000
Salaries and other short-term employee benefits	5,392	4,347
Employer's contribution to defined contribution plans, including Central Provident Fund	210	182
	5,602	4,529

Included in the above is total compensation paid to the directors of the Company of \$3,276,000 (2021: \$2,908,000), of which compensation to the executive directors amounted to \$3,131,000 (2021: \$2,778,000).

7. Taxation

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

	6 months ended		12 months ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	\$'000	\$'000	\$'000	\$'000
Current income tax expense	2,742	1,910	4,849	3,253
Deferred income tax expense relating to origination and reversal of temporary differences	(438)	762	215	762
	2,304	2,672	5,064	4,015

8. Dividends

	Group	
	FY2022	FY2021
	\$'000	\$'000
*Ordinary dividends paid: Final dividend paid in respect of the previous financial year	929	697
Dividend per share (net of tax)	0.4 cents	0.3 cents

* Based on total number of ordinary shares of 232,235,253 (30 June 2021: 232,235,253)

9. Net Asset Value

	Group		Company	
	As at 30 June 2022	As at 30 June 2021	As at 30 June 2022	As at 30 June 2021
Net asset value per ordinary share (cents)	120.97	116.66	38.43	38.57
Number of shares in issue	232,235,253	232,235,253	232,235,253	232,235,253

10. Financial assets, at fair value through profit or loss

Financial assets, at fair value through profit or loss comprise the following:

	Group	
	As at 30 June 2022	As at 30 June 2021
	\$'000	\$'000
Listed securities		
- Equity securities - Singapore	211	288
- Equity securities - Sri Lanka	-	6
	211	294

10.1 Fair value measurement

The Group classifies financial assets 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 assets measured at fair value:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000
Group				
As at 30 June 2022				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	211	-	-	211
As at 30 June 2021				
<i>Asset</i>				
Financial assets, at fair value through profit or loss	294	-	-	294

11. Property, plant and equipment

During the six months ended 30 June 2022, the Group acquired assets amounting to \$15,278,000 (30 June 2021: \$11,649,000) and disposed of assets amounting to \$1,531,000 (30 June 2021: \$3,677,000).

12. Borrowings

	Group	
	As at	As at
	30 June 2022	30 June 2021
	\$'000	\$'000
Amount repayable in one year or less (secured)		
- Bank borrowings	6,874	5,555
- Other secured borrowings	13,620	12,489
	20,494	18,044
Amount repayable in one year or less (unsecured)		
- Lease liabilities	697	1,009
	21,191	19,053
Amount repayable after one year (secured)		
- Bank borrowings	56,619	56,388
- Other secured borrowings	25,537	30,418
	82,156	86,806
Amount repayable after one year (unsecured)		
- Lease liabilities	12,927	11,175
	95,083	97,981
Total borrowings	116,274	117,034

12. Borrowings (continued)

Details of any collateral:

- (a) Bank borrowings of the Group are secured by a first legal charge over certain of the Group's property, plant and equipment.
- (b) Other secured borrowings of the Group are secured over the leased machinery and motor vehicles.

13. Share capital

The Group's share capital comprises fully paid up 232,235,253 (30 June 2021: 232,235,253) ordinary shares (excluding treasury shares) with no par value, amounting to a total of \$87,340,000 (30 June 2021: \$87,340,000). There were no treasury shares and outstanding convertibles as at 30 June 2022 and 30 June 2021. There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the financial year ended 30 June 2022.

14. Subsequent events

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

Other Information Required by Listing Rule Appendix 7.2

F. Other Information

1. Review

The condensed consolidated statement of financial position of Tiong Woon Corporation Holding Ltd and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review on Group's Financial Results

Full Year ended ended 30 June 2022 (FY2022) vs Full Year ended 30 June 2021 (FY2021)

<u>Revenue</u>	FY2022	FY2021	Increase/ (Decrease)
	\$'000	\$'000	%
<u>Heavy Lift and Haulage</u>			
- External	115,936	108,912	6%
- Inter-segment	411	619	(34%)
	<u>116,347</u>	<u>109,531</u>	6%
<u>Marine Transportation</u>			
- External	3,576	3,643	(2%)
- Inter-segment	1,096	1,635	(33%)
	<u>4,672</u>	<u>5,278</u>	(11%)
<u>Trading</u>			
- External	<u>3,076</u>	394	681%
Less: Inter-segment	<u>(1,507)</u>	<u>(2,254)</u>	(33%)
	<u>122,588</u>	<u>112,949</u>	9%

Revenue was S\$122.6 million in FY2022, an increase of S\$9.7 million or 9% from S\$112.9 million in FY2021. The increase was mainly attributable to the increase in contributions from Heavy Lift and Haulage and Trading segments.

Heavy Lift and Haulage segment external revenue increased by S\$7.0 million or 6% from S\$108.9 million in FY2021 to S\$115.9 million in FY2022, mainly due to higher revenue derived from Singapore and India offset by lower revenue derived from Brunei.

Marine Transportation segment external revenue remained consistent at S\$3.6 million for both FY2022 and FY2021.

Trading segment revenue increased by S\$2.7 million or 681% from S\$0.4 million in FY2021 to S\$3.1 million in FY2022, mainly due to more equipment sold in FY2022.

Gross Profit was S\$49.3 million in FY2022, an increase of S\$6.9 million or 16% from S\$42.4 million in FY2021, mainly due to higher revenue from Heavy Lift and Haulage and Trading segment. **Gross Profit Margin** was higher at 40.2% in FY2022 as compared to 37.6% in FY2021, mainly due to better performance in Heavy Lift and Haulage segment.

Other Income was S\$2.6 million in FY2022, a decrease of S\$1.9 million or 42% from S\$4.5 million in FY2021, mainly due to lower government grant income.

Impairment Loss on Financial Assets - net was S\$2.2 million in FY2022, an increase of S\$0.6 million or 43% from S\$1.6 million in FY2021, mainly due to higher impairment loss made for a few customers amid uncertain credit environment.

Other Losses - net was S\$0.5 million in FY2022, a decrease of S\$1.4 million or 75% from S\$1.9 million in FY2021, mainly due to a decrease of S\$2.0 million in operational exchange loss offset by a decrease of S\$0.5 million in gain on disposal of property, plant and equipment.

Other Operating Expenses were S\$29.0 million in FY2022, an increase of S\$3.2 million or 12% from S\$25.8 million in FY2021, mainly due to higher staff costs and utility expenses.

Income Tax Expense was S\$5.1 million in FY2022, an increase of S\$1.1 million or 26% from S\$4.0 million in FY2021, mainly due to higher profits during the year.

	Profit/(Loss) Before Tax		Increase/
	FY2022	FY2021	(Decrease)
	\$'000	\$'000	%
Heavy Lift and Haulage	16,410	14,749	11%
Marine Transportation	(385)	(914)	(58%)
Trading	367	(8)	NM
	16,392	13,827	19%

Profit before Income Tax was S\$16.4 million in FY2022, an increase of S\$2.6 million or 19% from S\$13.8 million in FY2021.

Heavy Lift and Haulage segment profit before income tax was S\$16.4 million in FY2022, an increase of S\$1.7 million or 11% from S\$14.7 million in FY2021, mainly due to higher revenue and better performance in FY2022

Marine Transportation segment recorded a loss before income tax of S\$0.4 million in FY2022, a decrease of S\$0.5 million or 58% from S\$0.9 million in FY2021, mainly due to a gain on disposal of property, plant and equipment of S\$0.5 million in FY2022.

Trading segment profit before income tax was S\$0.4 million in FY2022, as compared to a loss of S\$0.01 million in FY2021, mainly due to more equipment sold in FY2022.

Review of Statements of Financial Position and Cash Flows

Cash and cash equivalents per consolidated statement of cash flow increased by S\$10.5 million from S\$45.5 million as at 30 June 2021 to S\$56.0 million as at 30 June 2022 mainly due to net cash inflows from operating activities of S\$37.0 million. This was offset by the net cash outflow from financing activities and investing activities of S\$17.0 million and S\$9.8 million respectively. Net cash outflow from financing activities of S\$17.0 million resulted mainly from repayment of bank borrowings and other secured borrowings of S\$22.3 million, payment of interest of S\$2.8 million and payment of dividend to shareholders of S\$0.9 million offset by proceeds from bank borrowings of S\$10.1 million.

Total trade and other receivables (current and non-current) increased by S\$3.9 million from S\$47.6 million as at 30 June 2021 to S\$51.5 million as at 30 June 2022, mainly due to higher revenue from new projects executed in India during 4QFY2022.

Inventories increased by S\$0.2 million from S\$1.9 million as at 30 June 2021 to S\$2.1 million as at 30 June 2022, mainly due to increase in purchase of parts.

Other assets (current and non-current) increased by S\$1.4 million from S\$1.8 million as at 30 June 2021 to S\$3.2 million as at 30 June 2022, mainly due to S\$0.2 million deposit paid to a new electricity supplier and S\$1.2 million long-term structured deposits placed with bank.

Total trade and other payables (current and non-current) increased by S\$5.9 million from S\$40.1 million as at 30 June 2021 to S\$46.0 million as at 30 June 2022, mainly due to increase in purchases of equipment with longer credit terms.

Current income tax liabilities increased by S\$1.8 million from S\$3.0 million as at 30 June 2021 to S\$4.8 million as at 30 June 2022, mainly due to increase in provision of income tax made.

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

Not applicable.

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

The operating environment continues to be challenging and uncertain, as rising interest rates, inflationary pressures, ongoing geopolitical tensions, pose disruption risks to the nascent market recovery. The Group's priority is to ensure that it has adequate liquidity to sustain its business, manage its cashflow, operating costs and business risks, amid the uncertainties posed by the business environment.

5. Dividend Information

5(a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Final	Special
Dividend Type	Exempt (1-tier) dividend	Exempt (1-tier) dividend
Dividend Rate	0.35 cent per ordinary share	0.15 cent per ordinary share
Tax Rate	Nil	Nil

To be advised at a later date.

5(b) Corresponding Period of the Immediate Preceding Financial Year

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

Name of Dividend	Final	Special
Dividend Type	Exempt (1-tier) dividend	Exempt (1-tier) dividend
Dividend Rate	0.3 cent per ordinary share	0.1 cent per ordinary share
Tax Rate	Nil	Nil

5(c) Date Payable

To be advised at a later date.

5(d) Books Closure Date

To be advised at a later date.

6. Interested person transactions

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

The following interested person transactions took place between the Group and the interested persons during the financial year under review:

Name of Interested Person	Aggregate value of all interested person transactions during the financial 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)	
	FY2022 \$'000	FY2021 \$'000	FY2022 \$'000	FY2021 \$'000
Sales				
Pollisum Engineering Pte Ltd	154	420	-	-
Xin Woon Transport Pte Ltd	180	56	-	-
Purchases				
Pollisum Engineering Pte Ltd	60	1	-	-
Pollisum Logistics Pte Ltd	2	-	-	-
Xin Woon Transport Pte Ltd	77	70	-	-

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

The Company has received undertaking from all its Directors and Executive Officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format as shown. If there is no such person, the issuer 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 first held	Details of changes in duties and position held, if any, during the year
Ang Siew Chien	46	Daughter of Mr Ang Kah Hong; Niece of Mr Ang Kha King; Sister of Mr Ang Guan Hwa; Cousin of Mr Ang Boon Chang	Group Chief People Officer with effect from 1 November 2021	Promotion, from Group Human Resource and Administration Manager to Group Chief People Officer with effect from 1 November 2021
Ang Hwee Chien	39	Daughter of Mr Ang Kah Hong; Niece of Mr Ang Kha King; Sister of Mr Ang Guan Hwa; Cousin of Mr Ang Boon Chang	Finance Manager since 3 August 2020	No Change
Lee Kum Mun	57	Son-in-law of Mr Ang Kah Hong; Husband of Ms Ang Siew Chien; Brother-in-law of Mr Ang Guan Hwa	Managing Director of Tiong Woon Project & Contracting Pte Ltd with effect from 1 June 2021	No Change
Ang Li Fern	45	Daughter of Mr Ang Kha King; Niece of Mr Ang Kah Hong; Cousin of Mr Ang Guan Hwa; Sister of Mr Ang Boon Chang	Senior Logistics Manager of Tiong Woon Logistics Pte Ltd with effect from 1 November 2021	Promotion, from Logistics Manager to Senior Logistics Manager of Tiong Woon Logistics Pte Ltd with effect from 1 November 2021
Ong Lip Kong Henry	45	Son-in-law of Mr Ang Kha King; Brother-in-law of Mr Ang Boon Chang	Assistant Operations Manager of Tiong Woon Logistics Pte Ltd with effect from 1 November 2021	Promotion, from Senior Sales & Operations Executive to Assistant Operations Manager of Tiong Woon Logistics Pte Ltd with effect from 1 November 2021

By Order of the Board
Mr Ang Kah Hong
Executive Chairman

26 August 2022