

**FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FULL YEARLY RESULTS**

## Issuer &amp; Securities

## Issuer/ Manager

ENGRO CORPORATION LIMITED

## Securities

ENGRO CORPORATION LIMITED - SG1H26001476 - S44

## Stapled Security

No

## Announcement Details

## Announcement Title

Financial Statements and Related Announcement

## Date &amp; Time of Broadcast

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Full Yearly Results

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## Designation

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

Please refer to the attachment.

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Additional Details

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For Financial Period Ended

31/12/2022

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Attachments

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[EnGro and its Subsidiaries - Full Year Results FY22.pdf](#)

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Total size =692K MB

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**EnGro Corporation Limited and its Subsidiaries**  
**Registration Number: 197302229H**

Condensed Interim Financial Information  
For the Second Half and Financial Year Ended  
31 December 2022

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**Condensed interim consolidated statement of profit or loss**  
**For the second half and financial year ended 31 December 2022**

	Note	Group			Group		
		2H2022 \$'000	2H2021 \$'000	Change %	FY2022 \$'000	FY2021 \$'000	Change %
Revenue		68,306	67,249	1.6	132,985	129,642	2.6
Other income		1,167	1,568	(25.6)	2,230	3,391	(34.2)
Changes in inventories of finished goods and work in progress		722	1,409	(48.8)	916	(685)	n.m.
Raw materials and consumables used		(50,403)	(53,495)	(5.8)	(100,914)	(99,094)	1.8
Depreciation of property, plant and equipment		(110)	(804)	(86.3)	(690)	(1,733)	(60.2)
Depreciation of right-of-use assets		(754)	(858)	(12.1)	(1,497)	(1,128)	32.7
Depreciation of investment properties		(13)	-	n.m.	(13)	-	n.m.
Amortisation of intangible assets		(39)	(38)	2.6	(79)	(74)	6.8
Staff costs		(5,231)	(4,659)	12.3	(11,576)	(14,020)	(17.4)
Reversal of impairment/(Impairment) loss on financial assets		3,072	(3,213)	n.m.	3,454	(3,648)	n.m.
Other expenses		(9,814)	(7,563)	29.8	(16,912)	(14,125)	19.7
<b>Results from operating activities</b>		<u>6,903</u>	<u>(404)</u>	n.m.	<u>7,904</u>	<u>(1,474)</u>	n.m.
Finance income	4	2,972	19,916	(85.1)	7,814	33,538	(76.7)
Finance costs	4	(8,792)	(289)	n.m.	(9,904)	(433)	n.m.
<b>Net finance (costs)/ income</b>		<u>(5,820)</u>	<u>19,627</u>	n.m.	<u>(2,090)</u>	<u>33,105</u>	n.m.
Share of (loss)/profit of associates and joint ventures, net of tax		(4,282)	7,044	n.m.	(3,619)	19,281	n.m.
<b>(Loss)/Profit before tax</b>		<u>(3,199)</u>	<u>26,267</u>	n.m.	<u>2,195</u>	<u>50,912</u>	<u>(95.7)</u>
Tax (expense)/credit	5	(565)	277	n.m.	(768)	102	n.m.
<b>(Loss)/Profit for the period/year</b>		<u>(3,764)</u>	<u>26,544</u>	n.m.	<u>1,427</u>	<u>51,014</u>	<u>(97.2)</u>
<b>(Loss)/Profit attributable to:</b>							
Owners of the Company		(4,254)	26,298	n.m.	635	50,679	(98.7)
Non-controlling interests		490	246	99.2	792	335	n.m.
<b>(Loss)/Profit for the period/year</b>		<u>(3,764)</u>	<u>26,544</u>	n.m.	<u>1,427</u>	<u>51,014</u>	<u>(97.2)</u>
<b>Earnings per share</b>							
Basic earnings per share (cents)	6	<u>(3.58)</u>	<u>22.15</u>		<u>0.53</u>	<u>42.70</u>	
Diluted earnings per share (cents)	6	<u>(3.58)</u>	<u>22.15</u>		<u>0.53</u>	<u>42.70</u>	

n.m. – not meaningful

**Condensed interim consolidated statement of comprehensive income**  
**For the second half and financial year ended 31 December 2022**

	Group			Group		
	2H2022	2H2021	Change	FY2022	FY2021	Change
	\$'000	\$'000	%	\$'000	\$'000	%
<b>(Loss)/Profit for the period/year</b>	(3,764)	26,544	n.m.	1,427	51,014	(97.2)
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss:</b>						
Net change in fair value of equity investments at fair value through other comprehensive income	(2,695)	(5,346)	(49.6)	(7,163)	(4,382)	63.5
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation differences – foreign operations	(1,374)	(52)	n.m.	(596)	32	n.m.
Share of foreign currency translation differences of associates and joint ventures	(7,226)	2,119	n.m.	(9,682)	4,610	n.m.
Exchange differences on monetary items forming part of net investment in foreign operations	(1,358)	96	n.m.	(253)	728	n.m.
	(9,958)	2,163	n.m.	(10,531)	5,370	n.m.
<b>Other comprehensive income for the period/year, net of tax</b>	(12,653)	(3,183)	n.m.	(17,694)	988	n.m.
<b>Total comprehensive income for the period/year</b>	(16,417)	23,361	n.m.	(16,267)	52,002	n.m.
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	(16,720)	23,082	n.m.	(16,845)	51,575	n.m.
Non-controlling interests	303	279	8.6	578	427	35.4
<b>Total comprehensive income for the period/year</b>	(16,417)	23,361	n.m.	(16,267)	52,002	n.m.

n.m. – not meaningful

**Condensed interim statements of financial position**  
**As at 31 December 2022**

	Note	Group		Company	
		As at	As at	As at	As at
		31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
Property, plant and equipment	8	11,338	4,852	2,174	1,805
Subsidiaries		-	-	70,218	69,129
Intangible assets		310	189	66	120
Associates and joint ventures	9	109,439	134,903	51,649	59,943
Investment properties	10	2,558	-	-	-
Other investments	11	61,213	71,126	5,197	12,143
Other assets		78	78	78	78
Right-of-use assets	12	17,374	16,891	6,015	4,570
Deferred tax assets		169	739	-	-
<b>Non-current assets</b>		<b>202,479</b>	<b>228,778</b>	<b>135,397</b>	<b>147,788</b>
Other investments	11	8,562	8,521	2,461	3,549
Inventories	13	10,113	9,024	5,207	4,127
Trade and other receivables	14	34,927	34,771	31,643	30,136
Tax recoverable		656	378	-	-
Loan to a subsidiary		-	-	5,144	5,499
Cash and cash equivalents		66,723	75,930	47,460	51,249
<b>Current assets</b>		<b>120,981</b>	<b>128,624</b>	<b>91,915</b>	<b>94,560</b>
<b>Total assets</b>		<b>323,460</b>	<b>357,402</b>	<b>227,312</b>	<b>242,348</b>
<b>Equity</b>					
Share capital	15	85,270	85,270	85,270	85,270
Reserves		195,382	219,943	123,137	124,392
<b>Equity attributable to owners of the Company</b>		<b>280,652</b>	<b>305,213</b>	<b>208,407</b>	<b>209,662</b>
<b>Non-controlling interests</b>		<b>2,242</b>	<b>1,664</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>282,894</b>	<b>306,877</b>	<b>208,407</b>	<b>209,662</b>
<b>Liabilities</b>					
Lease liabilities	16	16,567	17,200	4,583	3,740
Loans and borrowings	16	2,654	3,889	2,654	3,889
Deferred tax liabilities		1,149	1,143	-	-
Provision for reinstatement costs		1,045	336	550	140
<b>Non-current liabilities</b>		<b>21,415</b>	<b>22,568</b>	<b>7,787</b>	<b>7,769</b>
Loans and borrowings	16	2,306	2,278	5,302	8,562
Trade and other payables	17	14,952	24,379	4,958	15,738
Lease liabilities	16	1,893	1,300	858	617
<b>Current liabilities</b>		<b>19,151</b>	<b>27,957</b>	<b>11,118</b>	<b>24,917</b>
<b>Total liabilities</b>		<b>40,566</b>	<b>50,525</b>	<b>18,905</b>	<b>32,686</b>
<b>Total equity and liabilities</b>		<b>323,460</b>	<b>357,402</b>	<b>227,312</b>	<b>242,348</b>

**Condensed interim consolidated statement of changes in equity**  
**For the financial year ended 31 December 2022**

	<b>Attributable to owners of the Company</b>									
	<b>Share capital</b>	<b>Capital reserve</b>	<b>Reserve for own shares</b>	<b>Share option reserve</b>	<b>Foreign currency translation reserve</b>	<b>Fair value reserve</b>	<b>Accumulated profits</b>	<b>Total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Group</b>										
At 1 January 2021	85,270	(40)	(59)	20	(6,217)	(995)	179,196	257,175	1,237	258,412
<b>Total comprehensive income for the year</b>										
Profit for the year	-	-	-	-	-	-	50,679	50,679	335	51,014
<b>Other comprehensive income</b>										
Foreign currency translation differences – foreign operations	-	-	-	-	26	-	-	26	6	32
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	4,524	-	-	4,524	86	4,610
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	-	728	-	-	728	-	728
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	-	(4,382)	-	(4,382)	-	(4,382)
<b>Total other comprehensive income</b>	-	-	-	-	5,278	(4,382)	-	896	92	988
<b>Total comprehensive income for the year</b>	-	-	-	-	5,278	(4,382)	50,679	51,575	427	52,002
<b>Transactions with owners, recognised directly in equity</b>										
<b>Distributions to owners</b>										
Dividend declared of 2.5 cents per share	-	-	-	-	-	-	(2,967)	(2,967)	-	(2,967)
Special dividend declared of 0.5 cents per share	-	-	-	-	-	-	(594)	(594)	-	(594)
Repurchase of treasury shares	-	-	(71)	-	-	-	-	(71)	-	(71)
Issue of treasury shares under share option scheme	-	(15)	130	(20)	-	-	-	95	-	95
<b>Total distributions to owners</b>	-	(15)	59	(20)	-	-	(3,561)	(3,537)	-	(3,537)
At 31 December 2021	85,270	(55)	-	-	(939)	(5,377)	226,314	305,213	1,664	306,877



**Condensed interim consolidated statement of changes in equity (cont'd)**  
**For the financial year ended 31 December 2022**

	<b>Attributable to owners of the Company</b>							<b>Total</b>	<b>Non-controlling interests</b>	<b>Total equity</b>
	<b>Share capital</b>	<b>Capital reserve</b>	<b>Reserve for own shares</b>	<b>Share option reserve</b>	<b>Foreign currency translation reserve</b>	<b>Fair value reserve</b>	<b>Accumulated profits</b>			
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>			
<b>Group</b>										
At 1 January 2022	85,270	(55)	-	-	(939)	(5,377)	226,314	305,213	1,664	306,877
<b>Total comprehensive income for the year</b>										
Profit for the year	-	-	-	-	-	-	635	635	792	1,427
<b>Other comprehensive income</b>										
Foreign currency translation differences – foreign operations	-	-	-	-	(574)	-	-	(574)	(22)	(596)
Share of foreign currency translation differences of equity-accounted investees	-	-	-	-	(9,489)	-	(1)	(9,490)	(192)	(9,682)
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	-	(253)	-	-	(253)	-	(253)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	-	(7,163)	-	(7,163)	-	(7,163)
<b>Total other comprehensive income</b>	-	-	-	-	(10,316)	(7,163)	(1)	(17,480)	(214)	(17,694)
<b>Total comprehensive income for the year</b>	-	-	-	-	(10,316)	(7,163)	634	(16,845)	578	(16,267)
<b>Transactions with owners, recognised directly in equity</b>										
<b>Distributions to owners</b>										
Dividend declared of 2.5 cents per share	-	-	-	-	-	-	(2,968)	(2,968)	-	(2,968)
Special dividend declared of 4.0 cents per share	-	-	-	-	-	-	(4,748)	(4,748)	-	(4,748)
<b>Total distributions to owners</b>	-	-	-	-	-	-	(7,716)	(7,716)	-	(7,716)
At 31 December 2022	85,270	(55)	-	-	(11,255)	(12,540)	219,232	280,652	2,242	282,894

**Condensed interim consolidated statement of changes in equity (cont'd)**  
**For the financial year ended 31 December 2022**

	Attributable to owners of the Company						Total \$'000
	Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000	Share option reserve \$'000	Fair value reserve \$'000	Accumulated profits \$'000	
<b>Company</b>							
At 1 January 2021	85,270	(40)	(59)	20	(607)	115,572	200,156
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	17,425	17,425
<b>Other comprehensive income</b>							
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	(4,382)	-	(4,382)
<b>Total other comprehensive income</b>	-	-	-	-	(4,382)	-	(4,382)
<b>Total comprehensive income for the year</b>	-	-	-	-	(4,382)	17,425	13,043
<b>Transactions with owners, recognised directly in equity</b>							
<b>Distributions to owners</b>							
Dividend declared of 2.5 cents per share	-	-	-	-	-	(2,967)	(2,967)
Special dividend declared of 0.5 cents per share	-	-	-	-	-	(594)	(594)
Repurchase of treasury shares	-	-	(71)	-	-	-	(71)
Issue of treasury shares under share option scheme	-	(15)	130	(20)	-	-	95
<b>Total distributions to owners</b>	-	(15)	59	(20)	-	(3,561)	(3,537)
At 31 December 2021	85,270	(55)	-	-	(4,989)	129,436	209,662
At 1 January 2022	85,270	(55)	-	-	(4,989)	129,436	209,662
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	-	13,407	13,407
<b>Other comprehensive income</b>							
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	(6,946)	-	(6,946)
<b>Total other comprehensive income</b>	-	-	-	-	(6,946)	-	(6,946)
<b>Total comprehensive income for the year</b>	-	-	-	-	(6,946)	13,407	6,461
<b>Transactions with owners, recognised directly in equity</b>							
<b>Distributions to owners</b>							
Dividend declared of 2.5 cents per share	-	-	-	-	-	(2,968)	(2,968)
Special dividend declared of 4.0 cents per share	-	-	-	-	-	(4,748)	(4,748)
<b>Total distributions to owners</b>	-	-	-	-	-	(7,716)	(7,716)
At 31 December 2022	85,270	(55)	-	-	(11,935)	135,127	208,407

**Condensed interim consolidated statement of cash flows**  
**For the financial year ended 31 December 2022**

Note	<b>Group</b>	
	<b>FY2022</b>	<b>FY2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	2,195	50,912
Adjustments for:		
Depreciation of property, plant and equipment	690	1,733
Depreciation of right-of-use assets	1,497	1,128
Depreciation of investment properties	13	-
Property, plant and equipment written off	-	318
Amortisation of intangible assets	79	74
Dividend income	4 (6,716)	(6,464)
Gain on disposal of property, plant and equipment	(9)	(31)
Gain on termination on lease liabilities	(32)	-
(Reversal of impairment)/Impairment loss on financial assets	(3,454)	3,648
Interest income	4 (764)	(562)
Interest expense	4 567	433
Other investment income	4 (334)	(6,841)
Net change in fair value of financial assets at fair value through profit or loss	8,172	(18,350)
Share of losses/(profits) of associates and joint ventures, net of tax	3,619	(19,281)
	<u>5,523</u>	<u>6,717</u>
Changes in:		
- Inventories	(1,128)	1,041
- Trade and other receivables	(163)	3,418
- Trade and other payables	(8,854)	4,443
Cash (used in)/ from operations	<u>(4,622)</u>	<u>15,619</u>
Tax paid	(537)	(423)
<b>Net cash (used in)/from operating activities</b>	<u>(5,159)</u>	<u>15,196</u>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(7,130)	(1,858)
Acquisition of intangible assets	(200)	-
Distributions from other investments	1,206	4,795
Dividends received from:		
- associates and joint ventures	4,343	6,008
- other investments	6,716	6,464
Repayment of loan from an associate	8,294	-
Interest received	764	562
Investment in a joint venture	-	(1,004)
Proceeds from disposal of:		
- other investments	3,366	11,262
- property, plant and equipment	42	177
Purchase of other investments	(10,210)	(9,332)
Purchase of intangible assets	-	(69)
Direct costs incurred on right-of-use assets	(128)	-
<b>Net cash from investing activities</b>	<u>7,063</u>	<u>17,005</u>

**Condensed interim consolidated statement of cash flows (cont'd)**  
**For the financial year ended 31 December 2022**

Note	<b>Group</b>	
	<b>FY2022</b>	<b>FY2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(7,716)	(3,561)
Interest paid	(567)	(433)
Payment of lease liabilities	(1,518)	(2,030)
Repayment of bank borrowings	(1,111)	-
Repurchase of treasury shares	-	(71)
Proceeds from exercise of share options	-	95
Drawdown of bank loan	-	5,000
<b>Net cash used in financing activities</b>	<b>(10,912)</b>	<b>(1,000)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(9,008)</b>	<b>31,201</b>
Cash and cash equivalents at 1 January	75,930	44,523
Effect of exchange rate fluctuations on cash held	(199)	206
<b>Cash and cash equivalents at 31 December</b>	<b>66,723</b>	<b>75,930</b>

**Significant non-cash transaction**

During the financial year ended 31 December 2022, the Group received investment properties with an aggregate cost of \$2,657,000 (31 December 2021: Nil) as part of settlement plan with a trade receivable, and acquisition of property, plant and equipment under finance leases with amounting \$168,000 (31 December 2021: Nil).

- (i) Cash and cash equivalents comprised:

	<b>Group</b>	
	<b>As at</b>	<b>As at</b>
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Fixed deposits	36,072	40,191
Cash and bank balances	30,651	35,739
	<b>66,723</b>	<b>75,930</b>

## **Notes to the condensed interim consolidated financial statements**

### **1 Corporate information**

EnGro Corporation Limited (“the Company”) is incorporated in the Republic of Singapore. The address of the Company’s registered office is 29 International Business Park, #08-05/06 Acer Building Tower B, Singapore 609923.

These condensed interim financial statements as at and for the financial year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, “the Group”).

The principal activities of the Group are mainly those relating to the manufacture and sale of building materials and specialty polymers. In addition, the Company is also an investment holding company.

### **2 Basis of preparation**

#### **2.1 Statement of compliance**

The condensed interim financial statements for the financial year ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“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 the performance of the Group since the last interim financial statements for the period ended 30 June 2022.

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 2.4.

#### **2.2 Functional and presentation currency**

The condensed interim financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

#### **2.3 Use of estimates and judgements**

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 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 audited consolidated financial statements as at and for the year ended 31 December 2021.

## 2 Basis of preparation (cont'd)

### 2.3 Use of estimates and judgements (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next interim period are included in the following notes:

- Note 11 – Valuation of financial assets measured at fair value
- Note 14 – Measurement of loss allowance for trade receivables

### 2.4 Changes in accounting policies

#### **New standards and amendments**

The accounting policies adopted and methods of computation are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except in the current financial period, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

## 3 Seasonal operations

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

## 4 Finance income and finance costs

	Group		Group	
	2H2022	2H2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Interest income under the effective interest method on:				
- Cash and cash equivalents	457	160	635	276
- Debt securities measured at fair value through profit or loss ("FVTPL")	65	134	129	286
<b>Total interest income arising from financial assets measured at amortised cost or FVTPL</b>	<b>522</b>	<b>294</b>	<b>764</b>	<b>562</b>
Dividend income	2,290	5,332	6,716	6,464
Other investment income	160	1,300	334	6,841
Net change in fair value of financial assets:				
- Mandatorily measured at FVTPL – held-for-trading	-	-	-	124
- Mandatorily measured at FVTPL – others	-	12,034	-	18,226
Net foreign exchange gain	-	956	-	1,321
<b>Finance income</b>	<b>2,972</b>	<b>19,916</b>	<b>7,814</b>	<b>33,538</b>

#### 4 Finance income and finance costs (cont'd)

	Group		Group	
	2H2022	2H2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
Financial liabilities measured at amortised cost:				
- Interest expense on lease liabilities	(245)	(206)	(473)	(351)
- Interest expense on loans and borrowings	(46)	(50)	(94)	(82)
Net change in fair value of financial assets:				
- Mandatorily measured at FVTPL – held-for-trading	(296)	(33)	(170)	-
- Mandatorily measured at FVTPL – others	(6,744)	-	(8,002)	-
Net foreign exchange loss	(1,461)	-	(1,165)	-
<b>Finance costs</b>	<b>(8,792)</b>	<b>(289)</b>	<b>(9,904)</b>	<b>(433)</b>
<b>Net finance (costs)/income recognised in profit or loss</b>	<b>(5,820)</b>	<b>19,627</b>	<b>(2,090)</b>	<b>33,105</b>

#### 5 Tax expense

	Group		Group	
	2H2022	2H2021	FY2022	FY2021
	\$'000	\$'000	\$'000	\$'000
<b>Current tax expense</b>				
Current period/year	26	9	36	8
Under/(Over) provided in prior periods/years	17	(5)	15	(5)
	43	4	51	3
<b>Deferred tax expense/(credit)</b>				
Origination and reversal of temporary differences	524	(299)	627	(123)
(Over)/Under provided in prior periods/years	(2)	18	90	18
	522	(281)	717	(105)
Tax expense/(credit)	565	(277)	768	(102)

#### 6 Earnings per share

	Group		Group	
	2H2022	2H2021	FY2022	FY2021
(Loss)/Profit attributable to owners of Company (\$'000)	(4,254)	26,298	635	50,679
Weighted average number of ordinary shares (basic) ('000)	118,703	118,703	118,703	118,675
Potential ordinary shares issuable under share options ('000)	-	-	-	18
Weighted average number of ordinary shares (diluted) during the year ('000)	118,703	118,703	118,703	118,693
Basic earnings per share (cents)	(3.58)	22.15	0.53	42.70
Diluted earnings per share (cents)	(3.58)	22.15	0.53	42.70

## 7 Net assets value

	Group		Company	
	As at 31 Dec 2022	As at 31 Dec 2021	As at 31 Dec 2022	As at 31 Dec 2021
	\$	\$	\$	\$
Net asset value per ordinary share at end of the financial year	2.36	2.57	1.76	1.77
Total number of issued shares* at the end of the financial year ('000)	118,703	118,703	118,703	118,703

\*There were no treasury shares as at 31 December 2022 (31 December 2021: Nil)

## 8 Property, plant and equipment

During the financial year ended 31 December 2022, the Group acquired assets with an aggregate cost of \$7,298,000 (31 December 2021: \$1,858,000) and disposed off assets amounting \$33,000 (31 December 2021: \$146,000).

## 9 Associates and joint ventures

During the current financial year, the Group's investments in associates and joint ventures decreased by \$24,620,000 (31 December 2021: increased by \$19,437,000) mainly due to share of losses, repayment of loan from an associate, dividend received and forex losses (31 December 2021: share of profits and forex gain, partially offset by dividend received).

## 10 Investment properties

During the financial year ended 31 December 2022, the Group received investment properties with an aggregate cost of \$2,657,000 (31 December 2021: Nil) as part of settlement plan with trade receivables.

	Group	
	As at 31 Dec 2022	As at 31 Dec 2021
	\$'000	\$'000
<b>Freehold properties</b>		
At 1 January	-	-
Additions	2,657	-
Depreciation	(13)	-
Movements in exchange rates	(86)	-
At end of the financial year	2,558	-



## 11 Other investments

	Group		Company	
	As at 31 Dec 2022 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2022 \$'000	As at 31 Dec 2021 \$'000
<b>Non-current</b>				
Mandatorily at FVTPL:				
- Equity securities	5,760	8,390	-	-
- Venture capital funds	48,895	49,580	-	-
- Investment funds	926	604	-	-
- Other unquoted investment	247	-	-	-
Designated at FVOCI:				
- Equity securities	5,385	12,552	5,197	12,143
	61,213	71,126	5,197	12,143
<b>Current</b>				
Mandatorily at FVTPL:				
- Equity securities	3,972	2,734	-	-
- Debt securities	2,988	4,671	2,461	3,549
- Investment funds	1,602	1,116	-	-
	8,562	8,521	2,461	3,549
	69,775	79,647	7,658	15,692

### Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values of financial assets.

When measuring the fair value of an asset, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There were no transfers of financial assets between Level 1 and Level 2 of the fair value hierarchy during the financial year ended 31 December 2022 and 31 December 2021.

**11 Other investments (cont'd)**  
**Measurement of fair values (cont'd)**

<b>Group</b>	<b>Fair value</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>31 December 2022</b>				
Financial assets at fair value through profit or loss				
- Equity securities	4,042	-	5,690	9,732
- Venture capital funds	-	-	48,895	48,895
- Debt securities	-	2,988	-	2,988
- Investment funds	-	2,528	-	2,528
- Other unquoted investment	-	-	247	247
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	5,385	5,385
	<u>4,042</u>	<u>5,516</u>	<u>60,217</u>	<u>69,775</u>
<b>31 December 2021</b>				
Financial assets at fair value through profit or loss				
- Equity securities	2,932	-	8,192	11,124
- Venture capital funds	-	-	49,580	49,580
- Debt securities	-	4,671	-	4,671
- Investment funds	-	1,720	-	1,720
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	12,552	12,552
	<u>2,932</u>	<u>6,391</u>	<u>70,324</u>	<u>79,647</u>
<b>Company</b>				
<b>31 December 2022</b>				
Financial assets at fair value through profit or loss				
- Debt securities	-	2,461	-	2,461
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	5,197	5,197
	<u>-</u>	<u>2,461</u>	<u>5,197</u>	<u>7,658</u>
<b>31 December 2021</b>				
Financial assets at fair value through profit or loss				
- Debt securities	-	3,549	-	3,549
Financial assets at fair value through other comprehensive income				
- Equity securities	-	-	12,143	12,143
	<u>-</u>	<u>3,549</u>	<u>12,143</u>	<u>15,692</u>

## 11 Other investments (cont'd)

### Level 3 reconciliation

The fair value of financial assets classified in Level 3 of the fair value hierarchy is measured using the net asset values of the venture capital funds and equity securities.

	FVTPL – Venture capital funds	FVTPL – Equity securities	FVOCI – Equity securities
	\$'000	\$'000	\$'000
<b>Group</b>			
At 1 January 2021	29,188	7,484	16,925
Total unrealised gains recognised in profit or loss:			
- Finance income	17,354	568	-
Total unrealised gain recognised in other comprehensive income:			
- Net change in fair value of equity investments at FVOCI	-	-	(4,382)
Purchases	6,258	-	-
Settlements	(3,880)	-	-
Exchange movement	660	140	9
At 31 December 2021	49,580	8,192	12,552

	FVTPL – Venture capital funds	FVTPL – Equity securities	FVOCI – Equity securities	FVTPL – Other unquoted investment
	\$'000	\$'000	\$'000	\$'000
<b>Group</b>				
At 1 January 2022	49,580	8,192	12,552	-
Total unrealised losses recognised in profit or loss:				
- Finance costs	(4,253)	(3,590)	-	-
Total unrealised loss recognised in other comprehensive income:				
- Net change in fair value of equity investments at FVOCI	-	-	(7,163)	-
Purchases	4,749	1,216	-	287
Settlements	(843)	-	-	-
Exchange movement	(338)	(128)	(4)	(40)
At 31 December 2022	48,895	5,690	5,385	247

**11 Other investments (cont'd)**  
**Level 3 reconciliation (cont'd)**

	<b>FVOCI – Equity security \$'000</b>
<b>Company</b>	
At 1 January 2021	16,525
Total unrealised losses recognised in other comprehensive income:	
- Net change in fair value of equity investments at FVOCI	(4,382)
At 31 December 2021	<u>12,143</u>
At 1 January 2022	12,143
Total unrealised losses recognised in other comprehensive income:	
- Net change in fair value of equity investments at FVOCI	(6,946)
At 31 December 2022	<u>5,197</u>

As at the reporting date, fair values of VCFs are determined based on the latest available net asset values obtained from the fund managers of the VCFs, and where relevant, adjustments for any capital contributions and distributions. The underlying assets of the VCFs consist of assets and liabilities which are measured at fair value.

Fair value of investments in unquoted equity securities are determined by estimating the fair value of the investee's net assets.

<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Net asset value ("NAV")	Value of the underlying net assets	The estimated fair value would increase/decrease if NAV was higher/lower
A discount is applied to take into consideration the non-marketable nature of the investments, where applicable.	Discount rate: 2022: 34% - 39% 2021: 30% - 40%	The estimated fair value would increase/decrease if the discount rate was lower/higher

**12 Right-of-use assets**

During the financial year ended 31 December 2022, the Group had additions to rights-of-use assets with an aggregate cost of \$2,158,000 (31 December 2021: \$13,815,000), offset by depreciation of \$1,497,000 (31 December 2021: \$1,128,000) and early termination of \$163,000 (31 December 2021: \$36,000).

### 13 Inventories

	Group		Company	
	As at 31 Dec 2022 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2022 \$'000	As at 31 Dec 2021 \$'000
<b>At cost</b>				
Raw materials	1,985	1,182	-	-
Consumables	195	475	-	-
Work-in-progress	884	1,225	-	-
Finished goods	7,049	6,142	5,207	4,127
	10,113	9,024	5,207	4,127

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

### 14 Trade and other receivables

	Group		Company	
	As at 31 Dec 2022 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2022 \$'000	As at 31 Dec 2021 \$'000
Trade receivables	29,419	28,712	13,706	14,948
Non-trade amount due from subsidiaries	-	-	16,915	14,287
Non-trade amount due from joint ventures	767	1,087	38	38
Deposits	421	479	51	46
Other receivables	1,442	1,168	455	692
Dividends receivable from associates and joint ventures	2,195	2,937	-	-
Prepayments	683	388	478	125
	34,927	34,771	31,643	30,136

*Source of estimation uncertainty*

The Group maintains allowance for doubtful accounts at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by the Group on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Group's relationship with debtors, their payment behaviour and known market factors. The Group reviews the age and status of receivables and identifies accounts that are to be provided with allowance on a continuous basis. The amount and timing of recorded expenses for any period would differ if the Group made different judgements or utilised different estimates. An increase in the Group's allowance for doubtful accounts would increase the Group's recorded operating expenses and decrease its receivables (current assets).

## 15 Share capital

	<b>Ordinary shares</b>			
	As at 31 Dec 2022		As at 31 Dec 2021	
	No. of shares '000	\$'000	No. of shares '000	\$'000
<b>Issued and paid up:</b>				
As beginning and end of financial year	118,703	85,270	118,703	85,270

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

## 16 Loans and borrowings and lease liabilities

	Group		Company	
	As at 31 Dec 2022	As at 31 Dec 2021	As at 31 Dec 2022	As at 31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
<b>Non-current</b>				
Secured	2,776	3,907	2,773	3,889
Unsecured	16,445	17,182	4,464	3,740
	19,221	21,089	7,237	7,629
<b>Current</b>				
Secured	1,286	1,250	1,267	1,111
Unsecured	2,913	2,328	4,893	8,068
	4,199	3,578	6,160	9,179
	23,420	24,667	13,397	16,808

The bank loan bears 2% interest per annum on monthly rests.

## 17 Trade and other payables

	Group		Company	
	As at 31 Dec 2022	As at 31 Dec 2021	As at 31 Dec 2022	As at 31 Dec 2021
	\$'000	\$'000	\$'000	\$'000
Trade payables	8,538	12,919	1,547	6,615
Accrued expenses	4,788	9,759	2,831	8,130
Other payables	1,424	1,701	378	993
Forward exchange contracts	202	-	202	-
	14,952	24,379	4,958	15,738

## 18 Dividends

	<b>Group and Company</b>	
	<b>FY2022</b>	<b>FY2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Paid by the Company to owners of the Company</b>		
Final 2.5 cents (2021: 2.5 cents) per ordinary share	2,968	2,967
Special 4.0 cents (2021: 0.5 cents) per ordinary share	4,748	594
	7,716	3,561

After the respective reporting dates, the following dividends were proposed by the directors. These dividends have not been provided for.

	<b>Group and Company</b>	
	<b>FY2022</b>	<b>FY2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Final (one-tier) dividends of 2.5 cents (2021: 2.5 cents) per qualifying ordinary share	2,968	2,968
Special (one-tier) dividends of Nil cents (2021: 4.0 cents) per qualifying ordinary share	-	4,748
	2,968	7,716

## 19 Interested person transaction

There were no transactions entered into by the Group with interested persons and their affiliates, as defined in the SGX Listing Manual.

## 20 Operating segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. Each strategic business unit offer different products or services, and are managed separately. The Group's Chief Executive Officer ("CEO") reviews internal management reports of each strategic business unit on at least a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Cement and building materials: Manufacture and sale of Cement, ready-mix concrete and other building materials.
- Specialty polymer: Manufacture and sale of thermosetting synthetic resin and plastic materials.
- Investments: Trading of quoted equity securities, debt securities and holding of investments in venture capital and investment funds and unquoted equity securities.
- Food and beverage: Operation of food and beverage outlets under franchise.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit/(loss), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within these industries.

## 20 Operating segments (cont'd)

### Information about reportable segments

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Total \$'000
<b>Revenue and expenses</b>					
<b>2H2022</b>					
External revenues, representing consolidated revenue	59,525	8,108	-	673	68,306
Reportable segment profit/(loss)	6,954	2,785	(6,906)	(114)	2,719
Share of profit of associates and joint ventures	(4,156)	198	(324)	-	(4,282)
	2,798	2,983	(7,230)	(114)	(1,563)
Headquarter expenses					(1,516)
Support expenses of associates and joint ventures					(351)
Interest expense					(291)
Interest income					522
Loss before tax					(3,199)
Add: Tax expense					(565)
Loss for the period					(3,764)
Timing of revenue recognition:					
– Products transferred at a point in time	59,525	8,108	-	673	68,306
<b>Revenue and expenses</b>					
<b>2H2021</b>					
External revenues, representing consolidated revenue	58,604	6,644	-	2,001	67,249
Reportable segment profit/(loss)	3,149	(1,416)	19,101	397	21,231
Share of profit/(loss) of associates and joint ventures	7,039	194	(189)	-	7,044
	10,188	(1,222)	18,912	397	28,275
Headquarter expenses					(1,298)
Support expenses of associates and joint ventures					(748)
Interest expense					(256)
Interest income					294
Profit before tax					26,267
Add: Tax expense					277
Profit for the period					26,544
Timing of revenue recognition:					
– Products transferred at a point in time	58,604	6,644	-	2,001	67,249



## 20 Operating segments (cont'd)

### Information about reportable segments (cont'd)

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Total \$'000
<b>Revenue and expenses</b>					
<b>31 December 2022</b>					
External revenues, representing consolidated revenue	116,437	15,057	-	1,491	132,985
Reportable segment profit/(loss)	10,629	3,274	(2,823)	(407)	10,673
Share of profit of associates and joint ventures	(3,533)	228	(314)	-	(3,619)
	7,096	3,502	(3,137)	(407)	7,054
Headquarter expenses					(4,110)
Support expenses of associates and joint ventures					(946)
Interest expense					(567)
Interest income					764
Profit before tax					2,195
Add: Tax expense					(768)
Profit for the year					1,427
Timing of revenue recognition:					
– Products transferred at a point in time	116,437	15,057	-	1,491	132,985
<b>Revenue and expenses</b>					
<b>31 December 2021</b>					
External revenues, representing consolidated revenue	111,532	14,418	-	3,692	129,642
Reportable segment profit/(loss)	6,749	(574)	31,343	610	38,128
Share of profit of associates and joint ventures	10,900	124	8,257	-	19,281
	17,649	(450)	39,600	610	57,409
Headquarter expenses					(5,272)
Support expenses of associates and joint ventures					(1,354)
Interest expense					(433)
Interest income					562
Profit before tax					50,912
Add: Tax expense					102
Profit for the year					51,014
Timing of revenue recognition:					
– Products transferred at a point in time	111,532	14,418	-	3,692	129,642

## 20 Operating segments (cont'd)

### Information about reportable segments (cont'd)

	<b>Cement and building materials</b>	<b>Specialty polymer</b>	<b>Investments</b>	<b>Food and beverage</b>	<b>Others</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Assets and liabilities</b>						
<b>31 December 2022</b>						
Total assets for reportable segments	84,244	14,122	78,405	354	-	177,125
Investments in associates and joint ventures						109,439
Other unallocated amounts						36,896
Consolidated total assets						<u>323,460</u>
Total liabilities for reportable segments	31,108	2,170	67	1,113	-	34,458
Other unallocated amounts						6,108
Consolidated total liabilities						<u>40,566</u>
<b>Assets and liabilities</b>						
<b>31 December 2021</b>						
Total assets for reportable segments	79,058	13,144	87,756	1,233	-	181,191
Investments in associates and joint ventures						134,903
Other unallocated amounts						41,308
Consolidated total assets						<u>357,402</u>
Total liabilities for reportable segments	38,825	2,212	361	1,816	-	43,214
Other unallocated amounts						7,311
Consolidated total liabilities						<u>50,525</u>

## 20 Operating segments (cont'd)

### Information about reportable segments (cont'd)

	Cement and building materials S'000	Specialty polymer S'000	Investments S'000	Food and beverage S'000	Others S'000	Total S'000
<b>Other segment information</b>						
<b>2H2022</b>						
Capital expenditure	4,644	34	-	1	-	4,679
Depreciation and amortisation	814	99	-	3	-	916
Reversal of impairment on financial assets	(1,993)	(1,079)	-	-	-	(3,072)
<b>2H2021</b>						
Capital expenditure	1,011	22	-	6	-	1,039
Depreciation and amortisation	1,601	96	-	3	-	1,700
Impairment of financial assets	1,205	2,008	-	-	-	3,213
<b>31 December 2022</b>						
Capital expenditure	7,461	36	-	1	-	7,498
Depreciation and amortisation	2,080	193	-	6	-	2,279
Reversal of impairment on financial assets	(2,375)	(1,079)	-	-	-	(3,454)
<b>31 December 2021</b>						
Capital expenditure	1,816	82	-	29	-	1,927
Depreciation and amortisation	2,746	186	-	3	-	2,935
Impairment of financial assets	1,640	2,008	-	-	-	3,648

## 20 Operating segments (cont'd)

### Geographical segments

The Group's operations are mainly in Singapore, Malaysia and the People's Republic of China. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

	Singapore	Malaysia	People's Republic of China	Others	Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2H2022</b>						
External customers						
– Cement and building materials	47,415	6,411	3	5,697	-	59,526
– Specialty polymer	5,573	80	64	2,391	-	8,108
– Food and beverage	-	-	672	-	-	672
Inter-segment revenue	3,804	13	-	-	(3,817)	-
Total revenue	<u>56,792</u>	<u>6,504</u>	<u>739</u>	<u>8,088</u>	<u>(3,817)</u>	<u>68,306</u>
Total non-current assets for reportable segments*	<u>27,540</u>	<u>4,179</u>	<u>108</u>	<u>-</u>	<u>-</u>	<u>31,827</u>
Total assets for reportable segments	157,651	14,956	4,517	-	-	177,124
Investments in associates and joint ventures	16,494	-	87,083	5,862	-	109,439
Other unallocated amounts						36,897
Consolidated total assets						<u>323,460</u>
<b>2H2021</b>						
External customers						
– Cement and building materials	53,769	4,282	-	553	-	58,604
– Specialty polymer	4,102	99	428	2,015	-	6,644
– Food and beverage	-	-	2,001	-	-	2,001
Inter-segment revenue	2,151	71	-	-	(2,222)	-
Total revenue	<u>60,022</u>	<u>4,452</u>	<u>2,429</u>	<u>2,568</u>	<u>(2,222)</u>	<u>67,249</u>
Total non-current assets for reportable segments*	<u>20,479</u>	<u>1,378</u>	<u>153</u>	<u>-</u>	<u>-</u>	<u>22,010</u>
Total assets for reportable segments	161,963	12,631	6,597	-	-	181,191
Investments in associates and joint ventures	25,847	-	102,507	6,549	-	134,903
Other unallocated amounts						41,308
Consolidated total assets						<u>357,402</u>

\*excludes associates and joint ventures, and other investments

## 20 Operating segments (cont'd)

### Geographical segments (cont'd)

	Singapore	Malaysia	People's Republic of China	Others	Elimination	Total
	S'000	S'000	S'000	S'000	S'000	S'000
<b>31 December 2022</b>						
External customers						
– Cement and building materials	95,947	13,448	8	7,034	-	116,437
– Specialty polymer	10,417	125	141	4,374	-	15,057
– Food and beverage	-	-	1,491	-	-	1,491
Inter-segment revenue	7,380	21	-	-	(7,401)	-
Total revenue	<u>113,744</u>	<u>13,594</u>	<u>1,640</u>	<u>11,408</u>	<u>(7,401)</u>	<u>132,985</u>
Total non-current assets for reportable segments*	<u>27,540</u>	<u>4,179</u>	<u>108</u>	<u>-</u>	<u>-</u>	<u>31,827</u>
Total assets for reportable segments	157,651	14,956	4,517	-	-	177,124
Investments in associates and joint ventures	16,494	-	87,083	5,862	-	109,439
Other unallocated amounts						36,897
Consolidated total assets						<u>323,460</u>
<b>31 December 2021</b>						
External customers						
– Cement and building materials	101,001	9,805	1	725	-	111,532
– Specialty polymer	9,553	331	570	3,964	-	14,418
– Food and beverage	-	-	3,692	-	-	3,692
Inter-segment revenue	5,248	124	-	-	(5,372)	-
Total revenue	<u>115,802</u>	<u>10,260</u>	<u>4,263</u>	<u>4,689</u>	<u>(5,372)</u>	<u>129,642</u>
Total non-current assets for reportable segments*	<u>20,479</u>	<u>1,378</u>	<u>153</u>	<u>-</u>	<u>-</u>	<u>22,010</u>
Total assets for reportable segments	161,963	12,631	6,597	-	-	181,191
Investments in associates and joint ventures	25,847	-	102,507	6,549	-	134,903
Other unallocated amounts						41,308
Consolidated total assets						<u>357,402</u>

\*excludes associates and joint ventures, and other investments

## **21 Capital commitments**

As at year end, the Group is committed to incur \$18,693,457 (31 December 2021: \$15,351,000) in respect of additional investments in VCFs and \$1,460,000 (31 December 2021: \$6,569,000) in respect of purchase of plant and equipment.

## **22 Subsequent events**

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

## **OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

### **1 Review**

The condensed interim consolidated statements of financial position of EnGro Corporation Limited and its subsidiaries as at 31 December 2022 and the related condensed interim consolidated statement of profit and loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statements of changes in equity and condensed interim consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed.

### **2 Review of group performance**

#### **2.1 Statement of profit or loss**

##### **2H 2022 vs 2H 2021**

The Group's revenue grew marginally by 1.6% year-on-year (YoY) to \$68.3 million as compared to 2H 2021, mainly due to higher demand arising from Specialty Polymer segment for home appliance and automotive related material.

The Group recorded a loss after tax of \$3.8 million in 2H 2022, from a profit of \$26.5 million in 2H 2021. These were due to the absence of exceptional gains from VC investments and property development, recognition of unrealized fair value loss as well as underperformance of China JVs. Disruption to China's economy was brought about by China's Zero-COVID policy.

##### **FY2022 vs FY2021**

The Group registered a total revenue of \$133.0 million in FY2022, an increase of 2.6% YoY compared to FY2021, mainly due to gradual recovery of construction activities in Singapore and Malaysia post COVID-19.

The Group recorded a profit after tax of \$1.4 million in FY2022, a significant 97.2% drop compared to FY2021, due to the reason stated above for 2H 2022. The substantial decrease in profit was cushioned by recovery of doubtful debt amounting to \$3.5 million.

## **2 Review of Group performance (cont'd)**

### **2.2 Statement of financial position**

Investment in associates and joint ventures decreased by \$25.5 million attributable to repayment of loan from an associate of \$8.3 million, foreign exchange losses of \$9.7 million due to weaken of RMB against SGD, dividends recognised \$3.9 million and share of losses of \$3.6 million for FY2022.

Net decrease of \$9.9 million in other investments was a result of fair value loss of \$16.8 million, disposal of investments of \$2.1 million and cash distributions of \$1.2 million received from venture capital funds, offset by additional investments of \$10.2 million.

The details of cash and cash equivalents are elaborated in consolidated statement of cash flows.

Loans and borrowings decreased by \$1.2 million due to repayment of loans and borrowings of \$1.3 million, offset by new loans and borrowings of \$0.1 million.

Trade and other payables decreased by \$9.4 million mainly due to timing of payment to suppliers.

### **2.3 Statement of cash flows**

Net cash used in operating activities in FY2022 was \$5.2 million.

Net cash inflow of \$7.1 million from investing activities arose from dividends received from associates and joint ventures and other investments of \$11.1 million, loan repayment from associates and joint ventures of \$8.3 million, proceeds from disposal of other investments of \$3.3 million, cash distribution from other investments of \$1.2 million and interest received of \$0.8 million. These were partially offset by cash used for acquisition of other investments of \$10.2 million, property, plant and equipment of \$7.3 million and direct costs incurred on right-of-use assets \$0.1 million.

Net cash used in financing activities of \$10.9 million, arising from dividend payment \$7.7 million, payment of lease liabilities of \$1.5 million, repayment of bank borrowings \$1.1 million and interest paid of \$0.6 million.

The cash and cash equivalents as at end of FY2022 was \$66.7 million, a decrease of \$9.2 million compared to FY2021.



### 3 Changes in share capital

#### 3.1 Changes in share capital since the end of the previous period reported on:

	<b>Number of Shares</b>
Issued share capital of the Company as at 31 December 2021	118,702,500
Issued share capital of the Company as at 31 December 2022	118,702,500

There were no treasury shares held by the Company as at 31 December 2022 (As at 31 December 2021: Nil). There was no sale, transfer, disposal, cancellation and use of treasury shares during the financial year ended 31 December 2022.

#### 3.2 Total number of issued shares excluding treasury shares

	<b>As at 31 Dec 2022</b>	<b>As at 31 Dec 2021</b>
Total number of issued shares excluding treasury shares	118,702,500	118,702,500

#### 3.3 Treasury shares

	<b>Number of shares for the period ended</b>	
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
<b>Group and Company</b>		
As at beginning of the year	-	64,200
Purchase of treasury shares	-	55,800
Treasury shares transferred on exercise of the share option	-	(120,000)
As at end of the year	-	-

### 4 Prospect statement

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

In the 1H 2022 interim results announcement made on 11 August 2022, the Group guided that despite uncertainty from JVs in China, it is expected to remain profitable for FY2022.

In the profit guidance subsequently issued on 19 January 2023, the Group also guided as follows:

- The Group is expected to report a net loss for 2H2022 with a significant deterioration in profit for FY2022 compared to FY2021.

In line with the profit guidance, the Group has reported a net loss of \$3.8 million for 2H 2022, with a significant drop in FY2022 net profit by 97.2% compared to FY2021. Despite the poor performance in 2H 2022, the Group closed the year with a net profit of \$1.4 million.

## 5 Outlook

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

The demand for cement and concrete is closely tied to economic growth and construction activity. As the world continues to recover from the COVID-19 pandemic, demand for cement and concrete is likely to increase as construction activities pick up. Demand for construction across Singapore in 2023 is expected to be stable with slow growth for the Malaysian construction sector.

While China has introduced a series of policy developments signalling the return of economic pragmatism, China's property market is expected to show a modest recovery in 2023. With rising inflation and expected higher interest rates, China's GDP growth is forecasted to be about 4%-5%. Performance of the Group's China JVs should recover in 2023.

In line with the Group's sustainability strategy in promoting green cement and green concrete, the Group is continuing to invest in the circular economy via its Waste-to-Resource (WTR) programme to reduce greenhouse gas emission.

## 6 Dividends

**(a) Current financial period reported on**

Yes

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Amount	2.50 cents per ordinary share
Tax Rate	Tax exempt (one-tier)

**(b) Corresponding period of the immediate preceding financial year**

Yes

Name of Dividend	First and Final	Special
Dividend Type	Cash	Cash
Dividend Amount	2.50 cents per ordinary share	4.00 cents per ordinary share
Tax Rate	Tax exempt (one-tier)	Tax exempt (one-tier)

**(c) Date payable**

To be announced at a later date.

**(d) Books closure date**

To be announced at a later date.

**(e) If no dividend has been declared/ recommended, a statement to that effect and the reason for the decision**

Not applicable.

## 7 Interested person transactions

The Company does not have a shareholders' mandate for interested person transactions.

## 8 Undertaking pursuant to Rule 720 (1)

The Company confirms that the undertakings under Rule 720(1) of the SGX-ST Listing Manual have been obtained from all its directors and executive officers.

## 9 A breakdown of sales

	FY2022 \$'000	FY2021 \$'000	% Change
Sales reported for first half year	64,679	62,393	3.7
Operating profit after tax before deducting non-controlling interests reported for first half year	5,191	24,470	(78.8)
Sales reported for second half year	68,306	67,249	1.6
Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(3,764)	26,544	n.m.

n.m. – not meaningful

## 10 Persons occupying managerial positions who are related to the directors, chief executive officer or substantial shareholders

Name	Age	Family relationship with any Director and/or CEO and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Mr Tan Cheng Gay	76	Brother of:  (a) Mr Tan Yok Koon, an Executive Director of the Company  (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: Chairman/CEO  Appointed as Chairman since 2002  Appointed as CEO since 1979  Duties: To manage the Company's overall business activities	No Change

**10 Persons occupying managerial positions who are related to the directors, chief executive officer or substantial shareholders (cont'd)**

Name	Age	Family relationship with any Director and/or CEO and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Mr Tan Yok Koon	74	Brother of:  (a) Mr Tan Cheng Gay, Chairman/CEO of the Company  (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: President, China Operations since 1 March 2005  Duties: To manage the business activities in China	No Change
Mr Tan Tatt Yao	38	Son of:  (a) Mr Tan Cheng Gay, Chairman/CEO of the Company  Nephew of: (a) Mr Tan Yok Koon, an Executive Director of the Company  (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: Business Development Manager (China) effective 26 February 2018 and promoted to Deputy General Manager, China Operations with effect from 01 September 2022.  Duties: To support the President of China Operations to manage the business activities, identify and evaluate investment opportunities in China. Support and advise concrete businesses in their strategic action plan execution.	Mr Tan Tatt Yao is promoted to Deputy General Manager, China Operations with effect from 1 Sep 2022 with responsibility over selective businesses of the Group.

Note:

(1) Mr Tan Chin Hoon is deemed to be a Substantial Shareholder of the Company through his shareholdings in Afro Asia Shipping Co (Pte) Ltd, Performance Investment Pte Ltd and New Town Development Pte Ltd.

**BY ORDER OF THE BOARD**

Joanna Lim  
 Company Secretary  
 24 February 2023