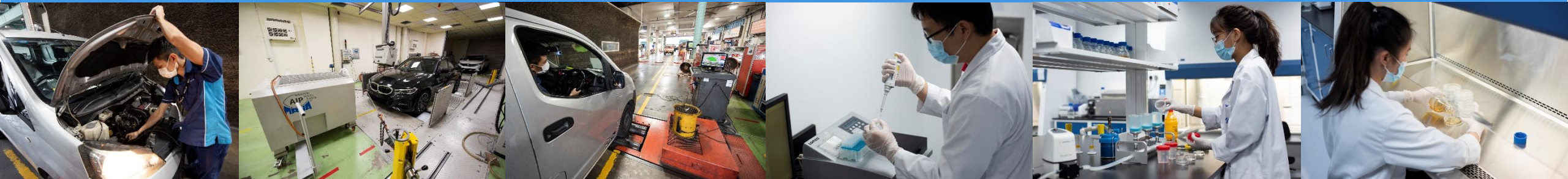


# Financial Results 2022 Presentation

26 April 2023



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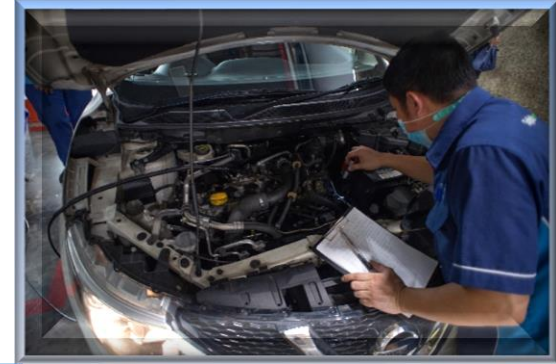
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# Contents

- Review of FY 2022 Financial Results
- FY 2022 Dividend Payout and Shareholder Return





The image shows a large industrial facility, likely a manufacturing plant. In the foreground, there are two long, parallel metal tracks or conveyor belts with yellow and black diagonal safety stripes. A person wearing a blue uniform and a face mask is standing in the center aisle, looking up at a piece of machinery. Above the tracks, there is a large black structure with two glowing red lights and a yellow rectangular sign that says "ARWIN". In the background, there are more industrial structures, including a red door and a sign that says "CONTROL".

# Review of FY 2022 Financial Results

# Income Statement

	2022	2021	Fav/(Adv)	
	\$'m	\$'m	\$'m	%
Revenue	108.3	100.9	7.4	7.3
Operating Costs	(75.6)	(69.9)	(5.7)	(8.2)
Operating Profit	32.7	31.0	1.7	5.4
Profit After Tax	26.6	25.2	1.4	5.3
Profit after Tax and Minority Interest (PATMI)	26.2	24.8	1.4	5.7
<b>EBITDA</b>	<b>39.9</b>	<b>38.2</b>	<b>1.7</b>	<b>4.4</b>
Operating Profit before COVID-19 Government Reliefs	32.5	29.2	3.3	11.1
COVID-19 Government Reliefs	0.2	1.8	(1.6)	(86.7)
Operating Profit after COVID-19 Government Reliefs	32.7	31.0	1.7	5.4

# Income Statement

	2022	2021	Fav/(Adv)	
	\$'m	\$'m	\$'m	%
Revenue	108.3	100.9	7.4	7.3

Increase in Revenue due to strong growth in demand for the non-vehicle testing services from various industries such as:

- Aerospace
- Marine & Offshore
- Oil & Petrochemical
- Food

# Income Statement

	2022	2021	Fav/(Adv)	
	\$'m	\$'m	\$'m	%
Revenue	108.3	100.9	7.4	7.3
Operating Costs	(75.6)	(69.9)	(5.7)	(8.2)

The increase was due to higher operating cost of \$4.1m and lower Government reliefs of \$1.6m.

The increase in operating cost was mainly from higher material, staff and utility costs.

- Inflationary pressures created by the supply chain disruptions and shortages in labour;
- Utility costs has risen quite substantially due to the escalating oil prices as a result of the Ukraine war and also the higher consumption in the new building at Bukit Batok.

# Income Statement

	2022	2021	Fav/(Adv)	
	\$'m	\$'m	\$'m	%
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Profit after Tax and Minority Interest (PATMI)	26.2	24.8	1.4	5.7

Contributed by the higher operating profit and interest income of \$0.5m but offset by higher income tax expenses \$0.8m.

Interest income rose substantially due to the high interest rate environment, by \$0.5m to \$0.7m despite the fall in cash balance.

# Balance Sheet

	2022	2021	Inc/(Dec)	
	\$'m	\$'m	\$'m	%
Cash & Cash Equivalents	60.5	75.4	(14.9)	(19.7)
Other Current Assets	13.7	12.3	1.4	11.1
Non-Current Assets	112.8	112.1	0.7	0.6
<b>Total Assets</b>	<b>187.0</b>	<b>199.8</b>	<b>(12.8)</b>	<b>(6.4)</b>
Current Liabilities	30.8	39.1	(8.3)	(21.3)
Non-Current Liabilities	32.4	32.5	(0.1)	(0.3)
<b>Total Liabilities</b>	<b>63.2</b>	<b>71.6</b>	<b>(8.4)</b>	<b>(11.8)</b>
<b>Total Equity</b>	<b>123.8</b>	<b>128.2</b>	<b>(4.4)</b>	<b>(3.4)</b>

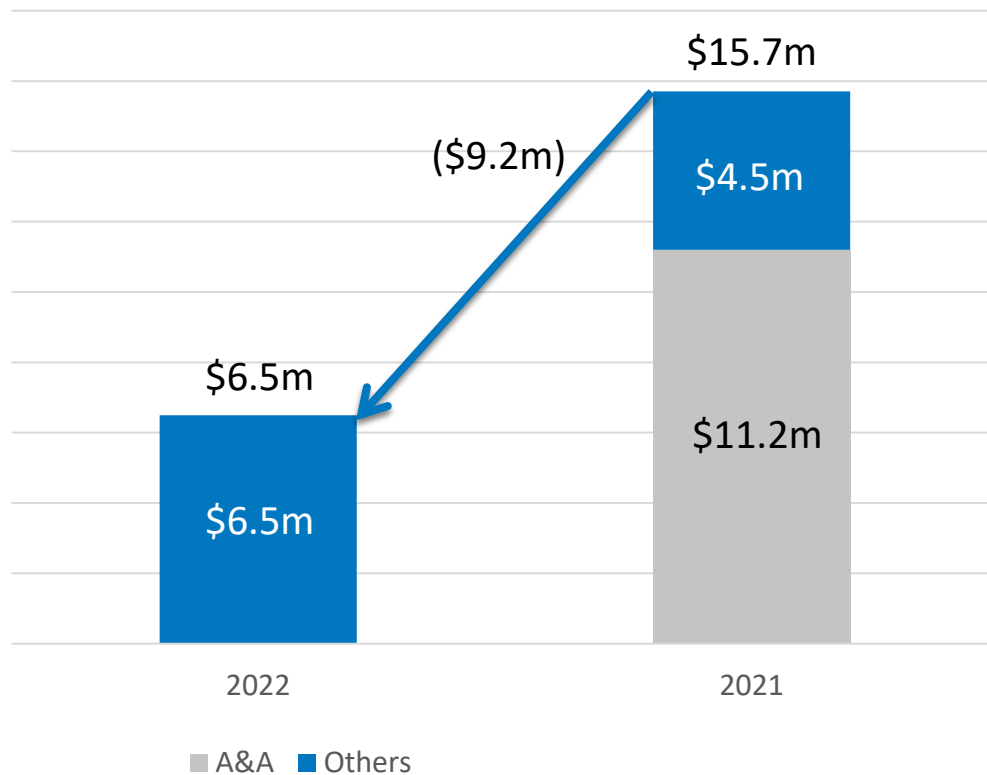
- Balance sheet remains strong with healthy cash & cash equivalent of \$60.5m.
- Current liabilities decreased by \$8.3m mainly from payments for relocation and renovation costs previously provided for the new Building at Bukit Batok.
- Total Equity at \$123.8m decreased by \$4.4m mainly from dividend payments of \$30.8m offset by profits of \$26.4m generated from operations.

# Cashflow

	2022	2021
	\$'m	\$'m
<b>Cash from Operating Activities</b>	<b>25.4</b>	<b>29.7</b>
<b>Utilisation of Cash:</b>		
Dividends to Shareholders and non-controlling interests	(30.8)	(33.5)
CAPEX	(8.9)	(12.3)
Payments under lease liability	(1.1)	(1.1)
Purchase of unquoted equity instruments held at Fair Value through Other Comprehensive Income	-	(0.9)
<b>Total Utilisation of Cash</b>	<b>(40.8)</b>	<b>(47.8)</b>
Interest Received	0.5	0.3
<b>Net Cash Outflow</b>	<b>(14.9)</b>	<b>(17.8)</b>

# CAPEX

## CAPEX 2022 vs 2021



- CAPEX ↓ \$9.2m
- The decrease in CAPEX was mainly due to the completion of the A&A project for the new Building at Bukit Batok in 2021.
- CAPEX for 2022 mainly purchases of equipment.





# Financial Summary

## Financial Performance

- Group PATMI at \$26.2m increased by \$1.4m or 5.7% against 2021.
- Government Reliefs fell by \$1.6m to \$0.2m compared to \$1.8m in 2021.
- Excluding the Government reliefs, Group operating profit at \$32.5m increased by \$3.3m or 11.1% against 2021.

## Financial Position

- Strong and resilient balance sheet.
- Cash balance of \$60.5m to support business growth and opportunities.

## Cash Flow

- Net cash outflow of \$14.9m mainly due to higher dividend paid during the year.

# FY 2022 Dividend Payout and Shareholder Return

# Financial Year 2022 Dividend Payout and Shareholder Return

	2022	2021	Inc/(Dec)	
	cents	cents	cents	%
Earnings Per Share (EPS)	7.38	6.99	0.39	5.6
Interim Dividend	3.32	3.04	0.28	9.2
<b>Final Dividend</b>	<b>3.32</b>	<b>3.24</b>	<b>0.08</b>	<b>2.5</b>
	6.64	6.28	0.36	5.7
<b>Special Dividend</b>	-	<b>2.00</b>	<b>(2.00)</b>	<b>N.M.</b>
Total	6.64	8.28	(1.64)	(19.8)
Dividend Payout Ratio	90%	118%		
Dividend Yield	3.5% <sup>(a)</sup>	4.1% <sup>(b)</sup>		

a) VICOM share price of \$1.92 as at 31 December 2022

b) VICOM share price of \$2.04 as at 31 December 2021

N.M. Not Meaningful





# Thank you