



**Condensed interim financial statements**  
**For the six months and full year ended 31 December 2021**

**BH GLOBAL CORPORATION LIMITED**  
**Condensed Interim Financial Statements**  
**For the Six Months (“2H2021”) and Full Year ended 31 December 2021 (“FY2021”)**

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**For the Six Months ("2H2021") and Full Year Ended 31 December 2021 ("FY2021")**

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	Group 2 <sup>nd</sup> half ended			Group Full year ended		
		31-Dec-21 \$'000	31-Dec-20 \$'000	% Change	31-Dec-21 \$'000	31-Dec-20 \$'000	% Change
Revenue	4	22,191	19,882	12%	46,841	53,219	(12%)
Cost of sales		(13,628)	(11,191)	22%	(27,403)	(26,132)	5%
<b>Gross profit</b>		<b>8,563</b>	<b>8,691</b>	<b>(1%)</b>	<b>19,438</b>	<b>27,087</b>	<b>(28%)</b>
Other operating income		315	1,403	(78%)	1,103	2,134	(48%)
Selling and distribution expenses		(4,994)	(4,552)	10%	(9,740)	(12,109)	(20%)
Administrative expenses		(3,490)	(2,536)	38%	(6,668)	(6,359)	5%
Finance costs		(289)	(393)	(26%)	(605)	(905)	(33%)
Reversal of impairment losses on financial assets		877	633	39%	1,389	917	51%
Gain/(loss) on deconsolidation of subsidiaries deregistered/in liquidation		(4)	(4,532)	N.M.	65	(4,532)	N.M.
<b>Profit/(loss) from operations</b>		<b>978</b>	<b>(1,286)</b>	<b>N.M.</b>	<b>4,982</b>	<b>6,233</b>	<b>(20%)</b>
Share of results of joint ventures		229	173	32%	539	422	28%
Share of results of associated companies		(122)	(234)	(48%)	(788)	(626)	26%
<b>Profit/(loss) before tax</b>	6	<b>1,085</b>	<b>(1,347)</b>	<b>N.M.</b>	<b>4,733</b>	<b>6,029</b>	<b>(21%)</b>
Income tax expenses	7	427	(253)	N.M.	(302)	(1,176)	(74%)
<b>Profit/(loss) for the period/year</b>		<b>1,512</b>	<b>(1,600)</b>	<b>N.M.</b>	<b>4,431</b>	<b>4,853</b>	<b>(9%)</b>
<b>Attributable to:</b>							
Equity holders of the Company		2,044	(1,717)	N.M.	4,968	3,218	55%
Non-controlling interests		(532)	117	N.M.	(537)	1,635	N.M.
		<b>1,512</b>	<b>(1,600)</b>	<b>N.M.</b>	<b>4,431</b>	<b>4,853</b>	<b>(9%)</b>
<b>Other comprehensive (loss) /income:</b>							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising on consolidation		(7)	(210)	(97%)	(15)	(183)	(92%)
Share of other comprehensive (loss)/income of associated companies		(65)	152	N.M.	30	152	(80%)
Share of other comprehensive income/(loss) of joint ventures		28	(29)	N.M.	157	(29)	N.M.
Other comprehensive (loss)/income for the period/year, net of tax		(44)	(87)	(49%)	172	(60)	N.M.
<b>Total comprehensive income / (loss) for the period/year</b>		<b>1,468</b>	<b>(1,687)</b>	<b>N.M.</b>	<b>4,603</b>	<b>4,793</b>	<b>(4%)</b>

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**B. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)**

		Group 2 <sup>nd</sup> half ended			Group Full year ended		
Note		31-Dec-21 \$'000	31-Dec-20 \$'000	% Change	31-Dec-21 \$'000	31-Dec-20 \$'000	% Change
<b>Total comprehensive income/(loss) attributable to:</b>							
Equity holders of the Company		1,998	(1,825)	N.M.	5,135	3,113	65%
Non-controlling interests		(530)	138	N.M.	(532)	1,680	N.M.
		<b>1,468</b>	<b>(1,687)</b>	<b>N.M.</b>	<b>4,603</b>	<b>4,793</b>	<b>(4%)</b>
<b>Earnings/(loss) per share attributable to equity holders of the Company:</b>							
Basic and diluted (SGD in cents)		<b>0.68</b>	<b>(0.57)</b>		<b>1.66</b>	<b>1.07</b>	

Certain comparatives for income and expenses have been reclassified to conform with current year's presentation.

N.M. – Not meaningful

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**C. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

		<u>Group</u>		<u>Company</u>	
	Note	31-Dec-21 \$'000	31-Dec-20 \$'000	31-Dec-21 \$'000	31-Dec-20 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	11	18,330	18,812	-	-
Investment in subsidiaries		-	-	11,663	11,764
Investment in joint ventures		2,390	2,198	949	949
Investment in associated companies	12	-	630	-	2,485
Deferred tax assets		481	11	163	-
Intangible assets	13	3,521	3,234	-	-
Financial assets at fair value through profit or loss		5	4	-	-
Loan to an associated company		4,000	4,000	4,000	4,000
<b>Total non-current assets</b>		<b>28,727</b>	<b>28,889</b>	<b>16,775</b>	<b>19,198</b>
<b>Current assets</b>					
Inventories		31,017	33,038	-	-
Contract assets		1,139	1,045	-	-
Trade receivables		10,115	8,204	-	-
Other receivables		3,894	3,346	3,546	3,648
Cash and cash equivalents		9,601	12,070	443	2,448
<b>Total current assets</b>		<b>55,766</b>	<b>57,703</b>	<b>3,989</b>	<b>6,096</b>
<b>Total assets</b>		<b>84,493</b>	<b>86,592</b>	<b>20,764</b>	<b>25,294</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		250	256	-	-
Borrowings	14	4,789	3,787	1,067	1,867
Lease liabilities		8,180	8,371	-	-
<b>Total non-current liabilities</b>		<b>13,219</b>	<b>12,414</b>	<b>1,067</b>	<b>1,867</b>
<b>Current liabilities</b>					
Contract liabilities		3,359	3,069	-	-
Trade payables		5,794	3,027	-	-
Other payables		3,867	5,495	9,394	13,387
Provisions		102	1,004	-	-
Borrowings	14	2,857	9,443	800	800
Lease liabilities		471	517	-	-
Tax payable		1,337	1,336	-	-
<b>Total current liabilities</b>		<b>17,787</b>	<b>23,891</b>	<b>10,194</b>	<b>14,187</b>
<b>Total liabilities</b>		<b>31,006</b>	<b>36,305</b>	<b>11,261</b>	<b>16,054</b>
<b>Net assets</b>		<b>53,487</b>	<b>50,287</b>	<b>9,503</b>	<b>9,240</b>

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**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT’D)**

		<u>Group</u>		<u>Company</u>	
	Note	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
		\$'000	\$'000	\$'000	\$'000
<b>Equity</b>					
Share capital	15	58,535	58,535	58,535	58,535
Currency translation reserve		(411)	(570)	-	-
Capital reserves		(1,977)	(1,977)	-	-
Accumulated losses		(2,980)	(6,517)	(49,032)	(49,295)
<hr/>					
Equity attributable to equity holders of the Company, total		53,167	49,471	9,503	9,240
Non-controlling interests		320	816	-	-
<b>Total equity</b>		<b>53,487</b>	<b>50,287</b>	<b>9,503</b>	<b>9,240</b>

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**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

<u>Group</u>	Share capital	Currency translation reserve	Capital reserves	Accumulated losses	Total	Non-controlling interest	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2021</b>							
<b>At 1 January 2021</b>	58,535	(570)	(1,977)	(6,517)	49,471	816	50,287
Profit for the financial year	-	-	-	4,968	4,968	(537)	4,431
<i>Other comprehensive (loss)/income</i>							
Currency translation differences arising on consolidation	-	(20)	-	-	(20)	5	(15)
Share of other comprehensive income of associated companies	-	30	-	-	30	-	30
Share of other comprehensive income of joint ventures	-	157	-	-	157	-	157
Other comprehensive income for the financial year, net of tax	-	167	-	-	167	5	172
Total comprehensive income/(loss) for the year	-	167	-	4,968	5,135	(532)	4,603
Change in ownership interest in subsidiaries that did not result in loss in control	-	-	-	69	69	31	100
Deconsolidation of a deregistered subsidiary	-	(8)	-	-	(8)	5	(3)
Dividend (Note 8)	-	-	-	(1,500)	(1,500)	-	(1,500)
<b>At 31 December 2021</b>	<b>58,535</b>	<b>(411)</b>	<b>(1,977)</b>	<b>(2,980)</b>	<b>53,167</b>	<b>320</b>	<b>53,487</b>

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**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

Group	Attributable to equity holders of the Company							Non-controlling interest	Total equity
	Share capital	Currency translation reserve	Equity component of convertible loan notes	Capital reserves	Accumulated losses	Total			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>2020</b>									
<b>At 1 January 2020</b>	<b>58,535</b>	<b>(465)</b>	<b>36</b>	<b>(2,010)</b>	<b>(9,735)</b>	<b>46,361</b>	<b>(5,372)</b>	<b>40,989</b>	
Profit for the financial year	-	-	-	-	3,218	3,218	1,635	4,853	
<i>Other comprehensive (loss)/income</i>									
Currency translation differences arising on consolidation	-	(228)	-	-	-	(228)	45	(183)	
Share of other comprehensive income of associated companies	-	152	-	-	-	152	-	152	
Share of other comprehensive income of joint ventures	-	(29)	-	-	-	(29)	-	(29)	
Other comprehensive income for the financial year, net of tax	-	(105)	-	-	-	(105)	45	(60)	
Total comprehensive (loss)/income for the year	-	(105)	-	-	3,218	3,113	1,680	4,793	
Change in ownership interest in subsidiaries that did not result in loss in control	-	-	-	(3)	-	(3)	(22)	(25)	
Loss on deconsolidation of a subsidiary in liquidation	-	-	-	-	-	-	4,530	4,530	
Repayment of convertible loan notes	-	-	(36)	36	-	-	-	-	
<b>At 31 December 2020</b>	<b>58,535</b>	<b>(570)</b>	<b>-</b>	<b>(1,977)</b>	<b>(6,517)</b>	<b>49,471</b>	<b>816</b>	<b>50,287</b>	



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**D. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

<u>Company</u>	Share capital	Accumulated losses	Total
	\$'000	\$'000	\$'000
At 1 January 2021	58,535	(49,295)	9,240
Profit and total comprehensive income for the financial year	-	1,763	1,763
Dividend (Note 8)	-	(1,500)	(1,500)
<b>At 31 December 2021</b>	<b>58,535</b>	<b>(49,032)</b>	<b>9,503</b>
At 1 January 2020	58,535	(51,557)	6,978
Profit and total comprehensive income for the financial year	-	2,262	2,262
<b>At 31 December 2020</b>	<b>58,535</b>	<b>(49,295)</b>	<b>9,240</b>

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**E. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	Note	Group	
		Year ended 31-Dec-21 \$'000	Year ended 31-Dec-20 \$'000
<b>Cash flows from operating activities</b>			
Profit before tax		4,733	6,029
Adjustments for:			
Amortisation of intangible assets		120	73
Depreciation of property, plant and equipment		1,681	1,391
Fair value (gain)/loss on financial assets at fair value through profit or loss		(1)	5
Foreign exchange difference		(34)	37
Gain on disposal of property, plant and equipment		(38)	(24)
(Gain)/loss on deconsolidation of subsidiaries deregistered/in liquidation		(65)	4,532
Gain on lease modification		(1)	-
Impairment loss on intangible assets		-	40
Intangible assets written off		29	264
Interest expenses		605	905
Interest income		(192)	(236)
Reversal of provision for liabilities		(514)	-
(Reversal)/provision for warranty		(388)	483
Share of results of associated companies		788	626
Share of results of joint ventures		(539)	(422)
		<hr/>	<hr/>
Operating cash flows before working capital changes		6,184	13,703
Inventories		2,106	(4,517)
Contract assets and contract liabilities		197	4,104
Receivables		(1,715)	4,631
Payables		719	(4,432)
Currency translation adjustments		(7)	(192)
		<hr/>	<hr/>
Cash from operations		7,484	13,297
Income tax paid		(839)	(465)
		<hr/>	<hr/>
<b>Net cash from operating activities</b>		<b>6,645</b>	<b>12,832</b>
<b>Cash flows from investing activities</b>			
Dividends received from joint venture		377	784
Interest received		-	3
Net cash inflow/(outflow) from changes in non-controlling interests in subsidiaries		100	(25)
Net cash outflow on acquisition of a subsidiary		(38)	-
Net cash outflow on deregistration/liquidation of subsidiaries		(70)	-
Proceeds of disposal of property, plant and equipment		67	57
Purchase of property, plant and equipment		(910)	(284)
Development costs		(948)	(1,323)
Costs shared from third party for development costs		550	-
Government grant received for development costs		62	-
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		<b>(810)</b>	<b>(788)</b>

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**E. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**

	Note	Group	
		Year ended 31-Dec-21 \$'000	Year ended 31-Dec-20 \$'000
<b>Cash flows from financing activities</b>			
Net repayment of short-term borrowings		(7,564)	(5,239)
Drawdown of borrowings		3,000	2,000
Dividend paid to shareholders	8	(1,500)	-
Repayment of bank borrowings		(1,020)	(800)
Repayment of lease liabilities		(642)	(393)
Interest paid		(605)	(905)
Decrease/(increase) in fixed deposits under pledge and restricted cash		31	(5)
Repayment of convertible loan notes		-	(727)
Repayment to ultimate holding company		-	(75)
<b>Net cash used in financing activities</b>		<b>(8,300)</b>	<b>(6,144)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(2,465)</b>	<b>5,900</b>
Cash and cash equivalents at beginning of financial year		11,836	5,996
Effects of exchange rate changes on cash and cash equivalents		27	(60)
<b>Cash and cash equivalents at end of the year</b>		<b>9,398</b>	<b>11,836</b>
<b>Cash and cash equivalents comprise the following:</b>			
Cash and cash equivalents		9,601	12,070
Less Restricted cash		(203)	(234)
<b>Cash and cash equivalents as per statement of cash flows</b>		<b>9,398</b>	<b>11,836</b>

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

**1. Corporate information**

BH Global Corporation Limited (the “Company”) is incorporated and domiciled in Singapore and is listed on the Main Board of Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of investment holding. The Group has four main business segments, Electrical and Technical Supply, Green LED Lighting, Security and Integration Engineering.

**2. Basis of Preparation**

The condensed interim financial statements for the six months and full year ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standard (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 performance of the Group since the last interim financial statements for the half year ended 30 June 2021.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand (\$’000) except otherwise indicated.

**2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

**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 audited consolidated financial statements as at and for the financial year ended 31 December 2020.

## **2.2 Use of judgements and estimates (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 and liabilities within the next interim period are included in the following note:

- Note 12: impairment testing of investment in associated companies
- Note 13: impairment testing of goodwill

## **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**

For management purpose, the Group is organised into business segments, with each segment representing a strategic business segment that offers different products/services. The Group has four main business segments, Electrical and Technical Supply, Green LED Lighting, Security and Integration Engineering.

These operating segments are reported in a manner consistent with internal reporting provided to Chief Operating Decision Maker ("CODM") that are used to make strategic decisions. The CODM comprises the Group's Chief Executive Officer, the Group's Chief Operating Officer and the respective segments' Chief Executive Officer.

#### 4.1 Reportable segments

	Electrical and Technical Supply \$'000	Green LED Lighting \$'000	Security \$'000	Integration Engineering \$'000	Cor- porate \$'000	Elimi- nations \$'000	Total \$'000
<b>1 July 2021 to 31 December 2021</b>							
<b>Segment revenue:</b>							
Sales to external customers	18,094	–	2,459	1,638	–	–	22,191
Intersegment sales	31	–	857	–	–	(888)	–
<b>Total revenue</b>	<b>18,125</b>	<b>–</b>	<b>3,316</b>	<b>1,638</b>	<b>–</b>	<b>(888)</b>	<b>22,191</b>
<b>Segment results</b>	<b>4,353</b>	<b>–</b>	<b>(880)</b>	<b>(1,237)</b>	<b>(1,258)</b>	<b>–</b>	<b>978</b>
Share of profit/(loss) from equity - accounted joint ventures and associates	229	(122)	–	–	–	–	107
Profit before tax							1,085
Income tax expense							427
Profit after tax							1,512
Depreciation and amortisation	509	–	213	136	–	–	858
Interest income	3	–	–	–	100	–	103
Finance cost	228	–	21	3	37	–	289
Other significant non-cash items	(1,350)	–	(124)	790	–	–	(684)
<b>Segment assets</b>	<b>52,755</b>	<b>–</b>	<b>13,759</b>	<b>11,725</b>	<b>5,708</b>	<b>–</b>	<b>83,947</b>
<b>Unallocated assets</b>							<b>546</b>
<b>Total assets</b>							<b>84,493</b>
<i>Segment assets includes</i>							
Investment in joint ventures and associates	2,390	–	–	–	–	–	2,390
Additions to non-current assets	64	–	148	1,073	–	–	1,285
<b>Segment liabilities</b>	<b>18,916</b>	<b>–</b>	<b>5,374</b>	<b>1,758</b>	<b>3,371</b>	<b>–</b>	<b>29,419</b>
<b>Unallocated liabilities</b>							<b>1,587</b>
<b>Total liabilities</b>							<b>31,006</b>

#### 4.1 Reportable segments (Cont'd)

	Electrical and Technical Supply \$'000	Green LED Lighting \$'000	Security \$'000	Integration Engineering \$'000	Cor- porate \$'000	Elimi- nations \$'000	Total \$'000
<b>1 July 2020 to 31 December 2020</b>							
<b>Segment revenue:</b>							
Sales to external customers	13,634	–	4,738	1,510	–	–	19,882
Intersegment sales	145	–	419	–	–	(564)	–
<b>Total revenue</b>	<b>13,779</b>	<b>–</b>	<b>5,157</b>	<b>1,510</b>	<b>–</b>	<b>(564)</b>	<b>19,882</b>
<b>Segment results</b>	<b>3,596</b>	<b>–</b>	<b>989</b>	<b>(154)</b>	<b>(5,717)</b>	<b>–</b>	<b>(1,286)</b>
Share of profit/(loss) from equity - accounted joint ventures and associates	173	(234)	–	–	–	–	(61)
Loss before tax							(1,347)
Income tax expense							(253)
Loss after tax							(1,600)
Depreciation and amortisation	580	–	194	79	–	–	853
Interest income	9	–	–	–	106	–	115
Finance cost	298	–	16	32	47	–	393
Other significant non-cash items	(328)	–	386	(339)	–	–	(281)
<b>Segment assets</b>	<b>55,090</b>	<b>630</b>	<b>11,508</b>	<b>11,815</b>	<b>7,538</b>	<b>–</b>	<b>86,581</b>
<b>Unallocated assets</b>							<b>11</b>
<b>Total assets</b>							<b>86,592</b>
<i>Segment assets includes</i>							
Investment in joint ventures and associates	2,198	630	–	–	–	–	2,828
Additions to non-current assets	33	–	213	822	–	–	1,068
<b>Segment liabilities</b>	<b>23,420</b>	<b>–</b>	<b>5,537</b>	<b>1,129</b>	<b>4,626</b>	<b>–</b>	<b>34,712</b>
<b>Unallocated liabilities</b>							<b>1,593</b>
<b>Total liabilities</b>							<b>36,305</b>

#### 4.1 Reportable segments (Cont'd)

	Electrical and Technical Supply \$'000	Green LED Lighting \$'000	Security \$'000	Integration Engineering \$'000	Cor- porate \$'000	Elimi- nations \$'000	Total \$'000
<b>1 January 2021 to 31 December 2021</b>							
<b>Segment revenue:</b>							
Sales to external customers	34,753	–	9,203	2,885	–	–	46,841
Intersegment sales	177	–	1,115	–	–	(1,292)	–
<b>Total revenue</b>	<b>34,930</b>	<b>–</b>	<b>10,318</b>	<b>2,885</b>	<b>–</b>	<b>(1,292)</b>	<b>46,841</b>
<b>Segment results</b>	<b>9,595</b>	<b>–</b>	<b>593</b>	<b>(2,224)</b>	<b>(2,982)</b>	<b>–</b>	<b>4,982</b>
Share of profit/(loss) from equity - accounted joint ventures and associates	539	(788)	–	–	–	–	(249)
Profit before tax							4,733
Income tax expense							(302)
Profit after tax							4,431
Depreciation and amortisation	1,003	–	523	248	–	–	1,774
Interest income	6	–	–	–	186	–	192
Finance cost	482	–	37	14	72	–	605
Other significant non-cash items	(2,452)	–	(380)	1,323	(514)	–	(2,023)
<b>Segment assets</b>	<b>52,755</b>	<b>–</b>	<b>13,759</b>	<b>11,725</b>	<b>5,708</b>	<b>–</b>	<b>83,947</b>
<b>Unallocated assets</b>							<b>546</b>
<b>Total assets</b>							<b>84,493</b>
<i>Segment assets includes</i>							
Investment in joint ventures and associates	2,390	–	–	–	–	–	2,390
Additions to non-current assets	424	–	808	1,246	–	–	2,478
<b>Segment liabilities</b>	<b>18,916</b>	<b>–</b>	<b>5,374</b>	<b>1,758</b>	<b>3,371</b>	<b>–</b>	<b>29,419</b>
<b>Unallocated liabilities</b>							<b>1,587</b>
<b>Total liabilities</b>							<b>31,006</b>



#### 4.1 Reportable segments (Cont'd)

	Electrical and Technical Supply \$'000	Green LED Lighting \$'000	Security \$'000	Integration Engineering \$'000	Cor- porate \$'000	Elimi- nations \$'000	Total \$'000
<b>1 January 2020 to 31 December 2020</b>							
<b>Segment revenue:</b>							
Sales to external customers	29,325	–	20,302	3,592	–	–	53,219
Intersegment sales	203	–	599	–	–	(802)	–
<b>Total revenue</b>	<b>29,528</b>	<b>–</b>	<b>20,901</b>	<b>3,592</b>	<b>–</b>	<b>(802)</b>	<b>53,219</b>
<b>Segment results</b>	<b>5,904</b>	<b>–</b>	<b>7,953</b>	<b>10</b>	<b>(7,634)</b>	<b>–</b>	<b>6,233</b>
Share of profit/(loss) from equity - accounted joint ventures and associates	422	(626)	–	–	–	–	(204)
Profit before tax							6,029
Income tax expense							(1,176)
Profit after tax							4,853
Depreciation and amortisation	1,100	–	275	89	–	–	1,464
Interest income	9	–	1	–	226	–	236
Finance cost	643	–	46	101	115	–	905
Other significant non-cash items	5	–	778	40	–	–	823
<b>Segment assets</b>	<b>55,090</b>	<b>630</b>	<b>11,508</b>	<b>11,815</b>	<b>7,538</b>	<b>–</b>	<b>86,581</b>
<b>Unallocated assets</b>							<b>11</b>
<b>Total assets</b>							<b>86,592</b>
<i>Segment assets includes</i>							
Investment in joint ventures and associates	2,198	630	–	–	–	–	2,828
Additions to non-current assets	104	–	399	1,643	–	–	2,146
<b>Segment liabilities</b>	<b>23,420</b>	<b>–</b>	<b>5,537</b>	<b>1,129</b>	<b>4,626</b>	<b>–</b>	<b>34,712</b>
<b>Unallocated liabilities</b>							<b>1,593</b>
<b>Total liabilities</b>							<b>36,305</b>

## 4.2 Disaggregation of Revenue

	Electrical and Technical Supply \$'000	Security \$'000	Integration Engineering \$'000	Total \$'000
<b><u>6 months ended 31 December 2021</u></b>				
<b>Timing of revenue recognition</b>				
At a point in time	18,094	1,222	1,397	20,713
Over time	–	1,237	241	1,478
Total revenue	<b>18,094</b>	<b>2,459</b>	<b>1,638</b>	<b>22,191</b>
<b><u>6 months ended 31 December 2020</u></b>				
<b>Timing of revenue recognition</b>				
At a point in time	13,634	4,149	785	18,568
Over time	–	589	725	1,314
Total revenue	<b>13,634</b>	<b>4,738</b>	<b>1,510</b>	<b>19,882</b>
<b><u>Full year ended 31 December 2021</u></b>				
<b>Timing of revenue recognition</b>				
At a point in time	34,753	7,464	2,434	44,651
Over time	–	1,739	451	2,190
Total revenue	<b>34,753</b>	<b>9,203</b>	<b>2,885</b>	<b>46,841</b>
<b><u>Full year ended 31 December 2020</u></b>				
<b>Timing of revenue recognition</b>				
At a point in time	29,325	19,351	2,140	50,816
Over time	–	951	1,452	2,403
Total revenue	<b>29,325</b>	<b>20,302</b>	<b>3,592</b>	<b>53,219</b>

## 4.2 Disaggregation of Revenue (Cont'd)

### Geographical information

Revenue and non-current assets information based on the billing location of customers and assets respectively are as follows:

	Revenue				Non-current assets	
	2H2021 \$'000	2H2020 \$'000	FY2021 \$'000	FY2020 \$'000	FY2021 \$'000	FY2020 \$'000
Singapore	12,991	11,381	26,476	27,871	21,274	21,781
Japan	3,754	3,585	6,566	6,318	-	-
Peru	2,151	-	3,594	-	-	-
India	19	518	2,035	545	-	-
China	264	78	1,331	138	-	630
Philippines	15	3	975	333	-	-
United Arab Emirates	560	504	927	857	2,390	2,198
United States of America	106	2,100	818	11,758	450	18
Cyprus	731	4	738	6	-	-
Malaysia	460	247	738	642	-	-
Other countries	1,140	1,462	2,643	4,751	127	247
	<b>22,191</b>	<b>19,882</b>	<b>46,841</b>	<b>53,219</b>	<b>24,241</b>	<b>24,874</b>

Other countries comprise Indonesia, United Kingdom, Vietnam, Taiwan and others.

Non-current assets information presented above are non-current assets as presented on the consolidated statement of financial position excluding deferred tax assets, loan to an associated company and other financial assets.

### A breakdown of sales :

	Group		
	Year ended 31-Dec-21 \$'000	Year ended 31-Dec-20 \$'000	% Change
Sales reported for the first half year	24,650	33,337	(26%)
Operating profit after tax before deducting non-controlling interests reported for the first half year	2,919	6,453	(55%)
Sales reported for the second half year	22,191	19,882	12%
Operating profit/(loss) after tax before deducting non-controlling interests reported for the second half year	1,512	(1,600)	N.M.

## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company at 31 December 2021 and 31 December 2020:

	Group		Company	
	31-Dec-21 \$'000	31-Dec-20 \$'000	31-Dec-21 \$'000	31-Dec-20 \$'000
<b>Financial assets</b>				
Financial assets at amortised cost	25,717	26,022	7,956	10,076
Financial assets, at fair value through profit or loss	5	4	–	–
<b>Financial liabilities</b>				
At amortised cost	25,301	29,868	11,136	15,877

## 6. Profit / (loss) before taxation

### 6.1 Significant items

	Group		Group	
	6 months ended 31-Dec-21 \$'000	6 months ended 31-Dec-20 \$'000	Year ended 31-Dec-21 \$'000	Year ended 31-Dec-20 \$'000
<b>Income</b>				
Fair value (loss)/gain on financial assets at fair value through profit or loss	(1)	(2)	1	(5)
Foreign exchange gain / (loss) - net	107	(127)	228	(115)
Gain on disposal of property, plant and equipment	4	24	38	24
Government grant income	47	901	471	1,441
Interest income from associated company	103	113	192	233
<b>Expenses</b>				
Amortisation of intangible assets	(68)	(53)	(120)	(73)
Depreciation of property, plant and equipment	(817)	(800)	(1,681)	(1,391)
Impairment loss on intangible assets	–	(40)	–	(40)
Interest expense	(289)	(393)	(605)	(905)
Reversal of allowance for impairment on trade receivables	877	633	1,389	917
Reversal of provision for liabilities	–	–	514	–
Reversal/(provision) for warranty	124	(121)	388	(483)
Write down of inventories	(309)	(295)	(231)	(943)
Intangible assets written off	–	(264)	(29)	(264)

## 6.2 Related party transactions

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

	Group		Group	
	6 months ended 31-Dec-21 \$'000	6 months ended 31-Dec-20 \$'000	Year ended 31-Dec-21 \$'000	Year ended 31-Dec-20 \$'000
<b><u>With jointly controlled entities</u></b>				
Sales of goods	223	194	367	357
Purchase of goods	-	-	-	219
<hr/>				
<b><u>With associated companies</u></b>				
Sales of goods	764	1,311	1,281	2,175
Management fee income	15	15	29	29
Purchase of goods	1,726	1,562	2,970	3,163
<hr/>				

## 7. Income tax expense

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:

	Group		Group	
	6 months ended 31-Dec-21 \$'000	6 months ended 31-Dec-20 \$'000	Year ended 31-Dec-21 \$'000	Year ended 31-Dec-20 \$'000
Current income tax expense	743	452	1,511	1,318
Deferred income tax	(475)	(19)	(489)	(46)
<hr/>				
Over provision of income tax in prior years	268	433	1,022	1,272
	(695)	(180)	(720)	(96)
<hr/>				
	(427)	253	302	1,176
<hr/>				

## 8. Dividend

	Group	
	Year ended 31-Dec-21 \$'000	Year ended 31-Dec-20 \$'000
<b>Dividends paid in respect of the preceding financial year</b>		
First and final dividend of 0.5 cents (2020 : Nil) per share	1,500	-
<hr/>		

## 9. Earnings per share (cents)

Basic earnings per share is calculated by dividing the net profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period:

	<b>Group</b>			
	2 <sup>nd</sup> half ended		Full year ended	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
	\$'000	\$'000	\$'000	\$'000
Net profit/(loss) attributable to equity holders of the Company	2,044	(1,717)	4,968	3,218
Weighted average number of ordinary shares in issue outstanding for basic and diluted earnings per share ('000')	300,000	300,000	300,000	300,000
Basic earnings per share (cents per share)	0.68 cents	(0.57) cents	1.66 cents	1.07 cents
Diluted earnings per share (cents per share)	0.68 cents	(0.57) cents	1.66 cents	1.07 cents

The Group has no dilution in its earnings per share at 31 December 2021 and 31 December 2020.

## 10. Net asset value per ordinary share

	<b>Group</b>		<b>Company</b>	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
Net asset value per ordinary share based on existing share capital	17.7 cents	16.5 cents	3.2 cents	3.1 cents

Net asset value per ordinary share as at 31 December 2021 and 31 December 2020 are calculated based on the number of ordinary shares in issue of 299,999,987.

## 11. Property, plant and equipment

During the six months ended 31 December 2021, the Group acquired assets amounting to \$526,000 (31 December 2020 : \$673,000) and disposed assets with net book value amounting to \$13,000 (31 December 2020 : \$33,000).

## 12. Investment in associated companies

The Group's investment in associated companies is summarised below:

	Group Year ended		Company Year ended	
	31-Dec-21 \$'000	31-Dec-20 \$'000	31-Dec-21 \$'000	31-Dec-20 \$'000
<u>Carrying amount</u>				
GLH Lighting Holding Pte Ltd ("GLH") and its subsidiaries ("GLH Group")	-	630	-	2,485
BOS Marine Offshore Engineering Corporation ("BOSMEC")	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	630	-	2,485
	<hr/>	<hr/>	<hr/>	<hr/>

### Impairment assessment of the Company's investment in associated companies

During the financial year, management performed an impairment review on its investment in GLH Group because of the continuing losses incurred by the GLH Group. The recoverable amount of the investment in GLH Group has been determined based on a value-in use method using cash flow projections from forecasts approved by management covering a five-year period and taking into consideration of the Covid-10 pandemic and difficult market conditions. The Group's value-in-use calculation was computed based on the cash flow forecasts derived from the most recent financial budgets approved by management covering a five-year period.

An impairment loss of S2,485,000 was recognised in the Company's profit or loss for the financial year ended 31 December 2021 to fully write down the carrying cost of investment in GLH Group to its recoverable amount.

### 13. Intangible assets

	Goodwill \$'000	Acquired technology \$'000	Main- tenance contracts \$'000	Develop- ment costs \$'000	License fee \$'000	Total \$'000
<b>Group Cost</b>						
At 1 January 2020	4,733	2,920	141	4,370	40	12,204
Additions	–	–	–	1,323	–	1,323
Written off	–	–	–	(264)	–	(264)
At 31 December 2020	4,733	2,920	141	5,429	40	13,263
Additions	100	–	–	948	–	1,048
Written off	–	–	–	(35)	–	(35)
Costs shared from third party	–	–	–	(550)	–	(550)
Government grant	–	–	–	(62)	–	(62)
At 31 December 2021	<b>4,833</b>	<b>2,920</b>	<b>141</b>	<b>5,730</b>	<b>40</b>	<b>13,664</b>
<b>Accumulated amortisation</b>						
At 1 January 2020	–	438	117	1,506	–	2,061
Charge for the year	–	–	–	73	–	73
At 31 December 2020	–	438	117	1,579	–	2,134
Charge for the year	–	–	–	120	–	120
At 31 December 2021	–	<b>438</b>	<b>117</b>	<b>1,699</b>	–	<b>2,254</b>
<b>Accumulated impairment</b>						
At 1 January 2020	4,548	2,482	24	801	–	7,855
Impairment charge	–	–	–	–	40	40
At 31 December 2020	4,548	2,482	24	801	40	7,895
Written off	–	–	–	(6)	–	(6)
At 31 December 2021	<b>4,548</b>	<b>2,482</b>	<b>24</b>	<b>795</b>	<b>40</b>	<b>7,889</b>
<b>Net carrying amount</b>						
At 31 December 2021	<b>285</b>	–	–	<b>3,236</b>	–	<b>3,521</b>
At 31 December 2020	185	–	–	3,049	–	3,234

#### Impairment test for goodwill

Goodwill acquired in a business combination is allocated to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill is allocated as follows:

	Group	
	31-Dec-21 \$'000	31-Dec-20 \$'000
<u>Security segment:</u>		
Athena Dynamics Pte Ltd (“ADPL”)	185	185
<u>Integration Engineering segment:</u>		
Sea Forrest Engineering Pte Ltd (“SFE”)	100	–
	<u>285</u>	<u>185</u>



### 13. Intangible assets (cont'd)

#### Key assumptions used in value-in-use calculation

The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past performances and expected developments in the market.

The Group's value-in-use calculations used cash flow forecasts derived from the most recent financial budgets approved by management covering a five-year period. These key inputs and assumptions were estimated by management based on prevailing economic and other conditions at the end of the reporting period, including the current market conditions due to Covid-19 pandemic. The key assumptions applied to the 5-year cash flow projections are as follows:

	ADPL	SFE
<b>2021</b>		
Terminal value growth rate	1.0%	1.5%
Pre-tax discount rate	14.2%	12.2%
	<hr/>	<hr/>
<b>2020</b>		
Terminal value growth rate	2.5%	–
Pre-tax discount rate	14.5%	–
	<hr/>	<hr/>

Management has considered that a reasonably possible change in two key assumptions, revenue growth rates and discount rate, will not result in any impairment charge to be recorded.

### 14. Borrowings

	Group		Company	
	30-Dec-21 \$'000	31-Dec-20 \$'000	31-Dec-21 \$'000	31-Dec-20 \$'000
<u>Amount repayable within one year or on demand</u>				
Secured	1,800	9,200	800	800
Unsecured	1,057	243	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
	2,857	9,443	800	800
<u>Amount repayable after one year</u>				
Secured	1,067	1,867	1,067	1,867
Unsecured	3,722	1,920	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
	4,789	3,787	1,067	1,867
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total borrowings	7,646	13,230	1,867	2,667

The Group's banking facilities were secured by the following:

- Legal charge on the Group's leasehold property and extension, addition and alteration works with net book value of \$9.16 million (31 December 2020: \$9.62 million);
- Corporate guarantee by the Company.

Included in the above borrowings is a secured term loan of \$1.87 million (31 December 2020 : \$2.67 million), which is also covered by corporate guarantee from its associated companies, GL Lighting Holding Pte Ltd and Arco Illumination Pte Ltd, fixed charge over the shares of GL Lighting Holding Pte Ltd and debenture over Arco Illumination Pte Ltd.

## 15. Share capital

	<b>Group and Company</b>			
	31 December 2021		31 December 2020	
	Number of issued shares '000	Total share capital \$'000	Number of issued shares '000	Total share capital \$'000
<u>Issued and fully paid up</u>				
Balance at 31 December 2021 and 31 December 2020	300,000	58,535	300,000	58,535

The Company did not hold any treasury shares as at 31 December 2021. The Company's subsidiaries do not hold any shares in the Company as at 31 December 2021 and 31 December 2020.

## 16. Acquisition of subsidiary

On 10 March 2021, the Group announced that its subsidiary, BOS Engineering International Pte Ltd ("BOSI"), entered into a sale and purchase agreement with Lee Sze Min to acquire 100% equity interest in Sea Forrest Engineering Pte Ltd ("SFE"), an exempt private limited company incorporated in Singapore. The consideration for the acquisition is \$669,119. SFE is engaged in the business of fabrication and afloat repairs for the maritime industry.

	\$'000
Purchase consideration:	
Cash paid	359
Deferred amount	310
	<u>669</u>

### Assets and liabilities recognised as a result of the acquisition

	Fair Value \$'000
Cash and cash equivalents	321
Receivables	511
Payables	<u>(263)</u>
Net identifiable assets acquired	569
Add : Goodwill	<u>100</u>
	<u>669</u>

## 17. Subsequent events

On 16 February 2022, the Group announced an internal restructuring exercise. Sea Forrest Technology Pte Ltd, an 80% subsidiary of the Group will transfer its 100% interest in BOS Offshore & Marine Pte Ltd ('BOS') and 35% interest in BOS Marine Offshore Engineering Corporation ('BOSMEC') to One BHG Pte Ltd, a wholly-owned direct subsidiary of the Company, at \$1 each. The effect of the internal restructuring is to increase the Group's effective interest in BOS from 80% to 100%, and in BOSMEC from 28% to 35%. The internal restructuring exercise does not have any effect on this set of condensed interim financial statements.

**BH GLOBAL CORPORATION LIMITED**  
**Condensed Interim Financial Statements**  
**For the Six Months (“2H2021”) and Full Year Ended 31 December 2021 (“FY2021”)**

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

**1. Review**

The condensed consolidated statements of financial position of BH Global Corporation Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed.

**2. Review of Performance of the Group**

**(A) Financial Performance of the Group**

**(i) Revenue**

	<b>2H2021</b>	<b>2H2020</b>	<b>%</b>	<b>FY2021</b>	<b>FY2020</b>	<b>%</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>Change</b>	<b>\$'000</b>	<b>\$'000</b>	<b>Change</b>
Electrical & Technical Supply	18,094	13,634	33	34,753	29,325	19
Security	2,459	4,738	(48)	9,203	20,302	(55)
Integration Engineering	1,638	1,510	8	2,885	3,592	(20)
<b>Total revenue</b>	<b>22,191</b>	<b>19,882</b>	<b>12</b>	<b>46,841</b>	<b>53,219</b>	<b>(12)</b>

**Electrical and Technical Supply**

For 2H2021, revenue from the Electrical and Technical Supply Division increased by 33% (\$4.5 million) as the industry continues to recover in the level of activities, with the resumption of operations by shipyards in Singapore and in the region. Accordingly, revenue for FY2021 increased 19% (\$5.4 million) compared to FY2020.

**Security**

The Security Division comprises Infrared and Thermal Sensing Technology and Cyber Security businesses. Revenue from this division declined by \$2.3 million (48%) and \$11.1 million (55%) for 2H2021 and FY2021 respectively. This was mainly due to the drop in demand for its Mass Fever Screening Systems (“MFSS”) from the Infrared and Thermal Sensing Technology business of \$2.6 million and \$13.6 million for 2H2021 and FY2021 respectively. On the other hand, the Cyber Security business registered an increase in revenue of \$0.3 million and \$2.5 million for 2H2021 and FY2021 respectively, with improvement in the order in-take from customers.

**Integration Engineering**

For 2H2021, revenue for the Integration Engineering Division increased slightly by 8% (\$0.1 million). The newly acquired afloat repair business and the newly established electric propulsion business contributed \$0.5 million and \$0.2 million respectively. This was mainly offset by reduction of \$0.6 million (42%) for the Glass Reinforced Epoxy (“GRE”) pipes business because of the reduced level of activities of customers due to the COVID-19 pandemic.

For FY2021, revenue declined 20% (\$0.7 million) mainly due to the lower revenue from the GRE pipes business of \$2.3 million (63%). This was partially offset by the revenue contribution from afloat repair business (\$1.3 million) and electric propulsion business (\$0.2 million).

(ii) **Gross profit**

The Group's overall gross profit for 2H2021 declined slightly by \$0.1 million (1%) despite the improvement in turnover by \$2.3 million and for FY2021, gross profit declined \$7.6 million (28%) as compared to FY2020. This was mainly due to the drop in revenue from its Security and Integration Engineering Divisions.

The gross margin ratio also declined from 44% in 2H2020 to 39% in 2H2021 and from 51% in FY2020 to 41% in FY2021 mainly due to the lower contribution from the Infrared and Thermal Sensing Technology business.

(iii) **Other operating income**

Other operating income in 2H2021 and FY2021 declined \$1.1 million and \$1 million respectively as compared to the corresponding periods. This was mainly due to the significant reduction in the government grant income for 2H2021 and FY2021.

(iv) **Operating expenses**

Selling & Distribution expenses increased by \$0.4 million or 10% for 2H2021 mainly due to the payroll and operation costs of \$0.3 million for the newly acquired afloat repair business and the newly established electric propulsion business within the Integration Engineering Division.

For FY2021, selling & distribution expenses decreased by \$2.4 million or 20%, mainly due to :

- decrease in personnel related costs of \$0.7 million in line with the reduction in turnover
- reduction in the write down of inventories of \$0.7 million
- reversal of provision for liabilities of \$0.5 million made previously, which was no longer required as the liquidation of Gulf Specialty Steel Industries LLC ("GSSI"), a 51% owned joint venture of the Group, has been completed.

Administrative expenses increased by \$0.9 million or 38% for 2H2021 mainly due to :

- payroll and administrative costs of \$0.2 million for the newly acquired afloat repair business and the newly established electric propulsion business within the Integration Engineering Division.
- increase in personnel related costs relating to performance incentive due to improvement in profit in 2H2021 compared to 2H2020.

For FY2020, administrative expenses increased by \$0.3 million or 4% mainly due to the increase in personnel related costs.

Finance costs decreased by \$0.1 million and \$0.3 million for 2H2021 and FY2021 respectively mainly due to lower interest rates on loans and the repayment of bank loans.

(v) **Reversals of impairment losses on financial assets**

Reversal of impairment losses on financial assets increased by \$0.2 million and \$0.5 million for 2H2021 and FY2021 respectively due to improvement in collections for doubtful trade receivables.

(vi) **Share of results of joint ventures**

The increase in share of profits of joint ventures was due to higher profits recognized by the Group's joint ventures for 2H2021 and FY2021.

(vii) **Share of results of associated companies**

The changes in share of losses of associated company for 2H2021 and FY2021 was due to changes in the losses recognised by the Group's associated companies. The Group has recognised its current year's share of loss of GLH up to its interest in GLH as the Group has no further obligation in respect of the losses above its interest.

(viii) **Taxation**

The negative tax expense for 2H2021 is mainly due to overprovision in prior year's tax of \$0.7 million. Accordingly, it resulted in the tax expense for FY2021 to be lower than FY2020.

(ix) **Net profit for the period/year**

For 2H2021, excluding the loss on deconsolidation of subsidiaries for both periods, the Group registered a net profit of \$1.5 million compared to \$2.9 million in 2H2020. This is mainly due to the decrease in gross profit and gross margin ratio and increase in operating expenses.

For FY2021, excluding the gain/loss on deconsolidation of subsidiaries for both periods, the Group registered a net profit of \$4.4 million compared to \$9.4 million in FY2020. This is mainly due to the decrease revenue and gross profit, partially offset by decrease in operating expenses.

**(B) Financial Position of the Group**

**Inventories**

Inventories decreased by \$2.0 million from \$33.0 million as at 31 December 2020 to \$31.0 million as at 31 December 2021, mainly due to decrease of \$3.9 million for the Electrical and Technical Supply, and \$0.2 million for Integration Engineering Divisions, partially offset by higher inventory for Infrared and Thermal Sensing Technology of \$2.1 million.

**Trade receivables**

Trade receivables increased by \$1.9 million from \$8.2 million as at 31 December 2020 to \$10.1 million as at 31 December 2021, mainly due to higher billings made towards the end of FY2021.

**Cash and cash equivalents**

Cash and cash equivalents decreased by \$2.5 million from \$12.1 million as at 31 December 2020 to \$9.6 million as at 31 December 2021 mainly due to net repayment of bank borrowings (\$5.6 million) and payment of dividend (\$1.5 million) during the year. This was partially offset by positive cashflow from operations.

**Trade payables**

Trade payables increased by \$2.8 million from \$3.0 million as at 31 December 2020 to \$5.8 million as at 31 December 2021 in line with higher purchases made towards the end of FY2021.

**Provisions**

Provisions decreased by \$0.9 million from \$1.0 million as at 31 December 2020 to \$0.1 million as at 31 December 2021 mainly due to reversal of provision for liabilities of \$0.5 million no longer required as the liquidation of Gulf Specialty Steel Industries LLC (“GSSI”) was completed, and the reversal of warranty provision.

**Borrowings**

Total borrowings decreased by \$5.6 million from \$13.2 million as at 31 December 2020 to \$7.6 million as at 31 December 2021 due to net repayments made during the year.

**(c) Cash flow review**

The net cash flows from operating activities decreased by \$6.2 million from \$12.8 million in FY2020 to \$6.6 million in FY2021. This was mainly due to the decrease in profits, increase in receivables and income tax paid, partially offset by decrease in inventories and increase in payables.

The net cash flows used in investing activities increased from \$0.8 million for FY2020 to \$0.9 million in FY2021. This was mainly due to lower dividend received from joint venture and lower development cost incurred, partially offset by higher purchases for property, plant and equipment.

The net cash used in financing activities increased from \$6.1 million for FY2020 to \$8.3 million in FY2021 mainly due to payment of dividend to shareholders and higher repayment of bank borrowings.

**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 reporting period and the next 12 months.**

The Covid-19 pandemic continues to have an impact on the business environment and activities. Though Omicron variant is more infectious than Delta variant, the infection is less severe with higher vaccination rate. Many countries are starting to relax and open the borders with removal of restrictions including Singapore. US-China trade war continues from Trump to Biden administration with the tariffs remaining in place. The impact of the Russian-Ukraine hostility on the business environment remains uncertain.

We see serious disruption to global supply chain with shortage of materials and components, delay in shipment as well as a surge in logistic cost. These will severely impact our businesses with longer delivery, higher cost, and cause uncertainty in project execution. On the flip side, increase in oil price has stimulated more offshore activities. We see more enquiries and activities and we hope to leverage on this long-awaited recovery for the marine and offshore industry.

With the slow recovery in marine and offshore industry, the Electrical and Technical Supply Division will work towards continued growth. We are cautious that the profit margin might be affected by higher material and logistic costs.

The Green LED Lighting Division continues to suffer setbacks due to Covid-19 pandemic and US-China trade war. With the tariffs remaining, exports to US continue to be challenging. The shortage of components and increased pricing will impact the delivery and profit margin. On the other hand, our newly developed state of the art Arco Sense Eco-Smart Lighting System has been patented in USA, EU and China. We received good responses and are currently test-bedding our system in several cities of China. The system will enhance energy savings of 50-80% and able to transmit data from lights to lights and to the central control system. We expect demand for such system.

The Integration Engineering Division sees increasing demand in electrification and hybridisation of various types of harbour crafts in Singapore and regional waters. We will continue to invest into R&D in building our competencies, to work with various key partners to seize upcoming opportunities and to support the decarbonization initiatives in the maritime industry. The high demand of electrification and hybridisation globally has caused longer lead-times for delivery of equipment, and this will affect our project execution.

Our Infrared and Thermal Sensing Unit has seen decreased demand from Q1 2021 for the mass fever screening system and the Unit is developing sales channels for its series of maritime night vision cameras, of which some models are installed as standard equipment onboard Japan Coast Guard vessels. As USA is the biggest market globally for the night vision cameras, our marketing office in Fort Lauderdale in Florida, USA will step up on the marketing activities.

With an order backlog of approximately \$3 million, the Cyber Security Unit is very well positioned in the coming year. With its credentials and track record built up over the years, the Business Unit will continue to deliver its disruptive cyber technologies and solutions to protect clients' Information Technology/Operation Technology networks against advanced threats. It is now working on expansion into regional and global markets.

The Group will continue on our transformation roadmap with focus on initiatives related to the themes of Environmental – Electrification – Digitalisation. This represents our commitment in forging ahead towards “Building a Sustainable Future” for both the Group’s operations as well as the environment at large.

## 5. Dividend information

### (a) Current financial period reported on

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

Name of dividend	Proposed final dividend
Dividend type	Cash
Dividend amount per ordinary share	0.50 Singapore cents
Tax rate	One tier tax exempt

(b) Corresponding period of the immediately preceding financial year

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

<b>Name of dividend</b>	<b>Proposed final dividend</b>
Dividend type	Cash
Dividend amount per ordinary share	0.50 Singapore cents
Tax rate	One tier tax exempt

(c) Date payable

To be announced later. The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

(d) Books closure date

Notice will be given at a later date on the closure of the Transfer Books and Register of Members of the Company to determine members' entitlement to the dividend.

**6. Interested Person Transactions ("IPTs")**

The Group has not obtained a shareholders' mandate pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

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

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of the SGX-ST.

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

Please refer to item 2 above.



**9. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Johnny Lim Huay Hua	53	Brother of executive directors and substantial shareholders, Vincent Lim Hui Eng and Patrick Lim Hui Peng	Director of principal subsidiary – Beng Hui Marine Electrical Pte Ltd (1999), Sopex Innovations Pte Ltd (1994) and One BHG Pte Ltd (2017)	NA
Eileen Lim Chye Hoon	58	Sister of executive directors and substantial shareholders, Vincent Lim Hui Eng and Patrick Lim Hui Peng	Director of principal subsidiary – Beng Hui Marine Electrical Pte Ltd (2004) and One BHG Pte Ltd (2017)	NA
Hing Kah Wah	56	Husband of substantial shareholder, Eileen Lim Chye Hoon	Senior Sales Manager of principal subsidiary – Beng Hui Marine Electrical Pte Ltd (January 2021)	NA

On behalf of the Board of Directors

Vincent Lim Hui Eng  
Executive Chairman and  
Chief Executive Officer

Patrick Lim Hui Peng  
Chief Operating Officer

25 February 2022