



Multi-Chem Limited

(Incorporated in Singapore. Registration Number: 198500318Z)

Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement

For the six months and full year ended 31 December 2022

Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement

For the six months and full year ended 31 December 2022

CONSOLIDATED INCOME STATEMENT

Group	6 months ended			12 months ended		
	31-12-2022	31-12-2021	Change	31-12-2022	31-12-2021	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	315,119	305,103	3	616,980	603,640	2
Cost of sales	(275,083)	(262,266)	5	(535,117)	(518,130)	3
Gross profit	40,036	42,837	(7)	81,863	85,510	(4)
Other items of income						
- Interest income	628	327	92	1,016	602	69
- Other income	1,373	1,927	(29)	2,144	4,387	(51)
Other items of expense						
- Selling and distribution costs	(15,030)	(14,651)	3	(31,177)	(30,034)	4
- Administrative and other expenses	(15,100)	(12,791)	18	(28,068)	(24,734)	13
- Reversal of allowance on third party trade receivables	872	141	518	275	547	(50)
- Finance costs	(215)	(204)	5	(457)	(327)	40
Profit before income tax	12,564	17,586	(29)	25,596	35,951	(29)
Income tax expense	(2,218)	(3,202)	(31)	(5,599)	(8,617)	(35)
Profit for the financial period/year	10,346	14,384	(28)	19,997	27,334	(27)
Profit attributable to:						
Owners of the parent	10,346	13,396	(23)	19,997	24,959	(20)
Non-controlling interests	-	988	(100)	-	2,375	(100)
	10,346	14,384	(28)	19,997	27,334	(27)
Earnings per share for profit attributable to owners of the parent during the financial period/year (expressed in cents per share)						
Basic	11.48 cents	14.87 cents		22.20 cents	27.70 cents	
Diluted	11.48 cents	14.87 cents		22.20 cents	27.70 cents	

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Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement*For the six months and full year ended 31 December 2022***CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Group	6 months ended			12 months ended		
	31-12-2022	31-12-2021	Change	31-12-2022	31-12-2021	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the financial period/year	10,346	14,384	(28)	19,997	27,334	(27)
Other comprehensive income for the financial period/year:						
<i>Item that may be reclassified subsequently to profit or loss</i>						
Foreign currency differences on translation of foreign operations	(3,206)	409	(884)	(773)	1,881	(141)
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Fair value change in financial asset, at FVOCI	72	(14)	(614)	(176)	(165)	7
Remeasurements of post-employee benefits	11	37	(70)	11	37	(70)
	83	23	261	(165)	(128)	29
Other comprehensive income for the financial period/year, net of tax	(3,123)	432	(823)	(938)	1,753	(154)
Total comprehensive income for the financial period/year	<u>7,223</u>	<u>14,816</u>	<u>(51)</u>	<u>19,059</u>	<u>29,087</u>	<u>(34)</u>
Total comprehensive income attributable to:						
Owners of the parent	7,223	13,685	(47)	19,059	26,324	(28)
Non-controlling interests	-	1,131	(100)	-	2,763	(100)
	<u>7,223</u>	<u>14,816</u>	<u>(51)</u>	<u>19,059</u>	<u>29,087</u>	<u>(34)</u>

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Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement*For the six months and full year ended 31 December 2022***STATEMENTS OF FINANCIAL POSITION**

	Group		Company	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	9,019	9,298	869	785
Investment properties	-	-	2,302	2,358
Investments in subsidiaries	-	-	-	105
Club memberships	1,010	734	374	374
Right-of-use assets	1,688	3,200	81	428
Deferred tax assets	5,556	5,173	-	-
Financial asset, at FVOCI	179	373	-	-
Financial asset, at FVPL	4,749	4,628	4,749	4,628
Trade receivables	11,821	11,012	-	-
Prepayment	1,657	217	141	217
	35,679	34,635	8,516	8,895
Current assets				
Inventories	69,318	51,430	445	461
Trade and other receivables	147,465	132,702	33,538	33,194
Prepayments	1,350	990	119	117
Current income tax recoverable	5,948	4,274	-	-
Fixed deposits	36,805	4,572	13,245	-
Cash and bank balances	32,737	69,842	1,104	10,381
	293,623	263,810	48,451	44,153
Less:				
Current liabilities				
Trade and other payables	142,206	122,360	5,198	5,652
Contract liabilities	27,559	24,448	-	-
Lease liabilities	1,048	1,257	49	107
Bank borrowings	1,000	500	-	-
Current income tax payable	3,100	4,320	103	-
	174,913	152,885	5,350	5,759
Net current assets	118,710	110,925	43,101	38,394
Less:				
Non-current liabilities				
Trade payables	11,267	8,089	-	-
Contract liabilities	2,989	2,295	-	-
Lease liabilities	952	1,755	33	82
Bank borrowings	417	1,500	-	-
Provision for post-employee benefits	554	624	-	-
Deferred tax liabilities	1,114	1,097	-	-
	17,293	15,360	33	82
	137,096	130,200	51,584	47,207
Equity				
Share capital	37,288	37,288	37,288	37,288
Foreign currency translation account	(1,644)	(871)	-	-
Other reserves	(977)	(801)	-	-
Retained earnings	102,429	94,584	14,296	9,919
Total equity	137,096	130,200	51,584	47,207

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Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement*For the six months and full year ended 31 December 2022***CONSOLIDATED STATEMENT OF CASH FLOWS**

	12 months ended	
	31-12-2022	31-12-2021
	\$'000	\$'000
OPERATING ACTIVITIES		
Profit before income tax	25,596	35,951
Adjustments for:		
- Reversal of allowance on third party trade receivables	(275)	(547)
- Allowance made for inventory obsolescence	4,592	2,287
- Third party trade receivables written off	43	-
- Fair value change in financial asset, at FVPL	(155)	(134)
- Depreciation of property, plant and equipment	1,314	1,304
- Gain on disposal of property, plant and equipment	(155)	(241)
- Amortisation of club memberships	10	10
- Depreciation of right-of-use assets	1,291	1,301
- Gain on lease modifications	-	(7)
- Interest expense	457	327
- Interest income	(1,016)	(602)
- Inventories written off	81	52
- Property, plant and equipment written off	1	1
- Third party trade and other payables written off	(221)	(76)
- Unrealised foreign exchange loss	3,042	1,053
Operating cash flows before working capital changes	34,605	40,679
Working capital changes:		
- Inventories	(24,420)	(9,723)
- Trade and other receivables	(22,961)	(13,757)
- Prepayments	(1,912)	282
- Trade and other payables, and contract liabilities	35,611	20,572
- Provision for post-employee benefits	(57)	6
Cash generated from operations	20,866	38,059
Interest received	1,016	602
Income tax paid	(9,760)	(11,716)
Net cash generated from operating activities	12,122	26,945

Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement

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CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

	12 months ended	
	31-12-2022	31-12-2021
	\$'000	\$'000
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	213	269
Purchase of property, plant and equipment	(856)	(737)
Purchase of club memberships	(296)	-
Additions to right-of-use assets	-	(428)
Net cash used in investing activities	(939)	(896)
FINANCING ACTIVITIES		
Fixed deposits pledged	-	9,921
Net cash outflow from acquisition of interest in a subsidiary	-	(15,870)
Proceeds from bank borrowings	4,887	7,707
Repayments of bank borrowings	(5,496)	(10,470)
Repayments of lease liabilities	(1,267)	(1,262)
Interest paid	(457)	(327)
Dividends paid to owners of the parent	(12,163)	(9,730)
Dividends paid to non-controlling shareholders	-	(118)
Net cash used in financing activities	(14,496)	(20,149)
Net change in cash and cash equivalents	(3,313)	5,900
Cash and cash equivalents at beginning of financial year	74,363	67,610
Effects of exchange rate changes on cash and cash equivalents	(1,557)	853
Cash and cash equivalents at end of financial year (Note 1)	69,493	74,363

Note 1

Cash and cash equivalents at end of financial year comprise of:

Cash and cash equivalents as per Statement of Financial Position	69,542	74,414
Less: Fixed deposits pledged with banks	(49)	(51)
	69,493	74,363

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STATEMENTS OF CHANGES IN EQUITY

Group	Share capital \$'000	Foreign currency translation account \$'000	Premium on acquisition of non-controlling interests \$'000	Fair value reserve \$'000	Statutory reserve \$'000	Retained earnings \$'000	Equity attributable to owners of the parent \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2022	37,288	(871)	(1,043)	(88)	330	94,584	130,200	-	130,200
Profit for the financial year	-	-	-	-	-	19,997	19,997	-	19,997
Other comprehensive income for the financial year									
Foreign currency differences on translation of foreign operations	-	(773)	-	-	-	-	(773)	-	(773)
Fair value change in financial asset, at FVOCI	-	-	-	(176)	-	-	(176)	-	(176)
Remeasurements of post-employee benefits	-	-	-	-	-	11	11	-	11
Total comprehensive income for the financial year	-	(773)	-	(176)	-	20,008	19,059	-	19,059
Distributions to the owners of the parent									
Dividends	-	-	-	-	-	(12,163)	(12,163)	-	(12,163)
Total transactions with the owners of the parent	-	-	-	-	-	(12,163)	(12,163)	-	(12,163)
Balance at 31 December 2022	37,288	(1,644)	(1,043)	(264)	330	102,429	137,096	-	137,096
Balance at 1 January 2021	37,288	(2,364)	(123)	77	519	79,129	114,526	12,305	126,831
Profit for the financial year	-	-	-	-	-	24,959	24,959	2,375	27,334
Other comprehensive income for the financial year									
Foreign currency differences on translation of foreign operations	-	1,493	-	-	-	-	1,493	388	1,881
Fair value change in financial asset, at FVOCI	-	-	-	(165)	-	-	(165)	-	(165)
Remeasurements of post-employee benefits	-	-	-	-	-	37	37	-	37
Total comprehensive income for the financial year	-	1,493	-	(165)	-	24,996	26,324	2,763	29,087
Distributions to the owners of the parent									
Dividends	-	-	-	-	-	(9,730)	(9,730)	-	(9,730)
Transfer from statutory reserve upon liquidation of subsidiary	-	-	-	-	(189)	189	-	-	-
Total transactions with the owners of the parent	-	-	-	-	(189)	(9,541)	(9,730)	-	(9,730)
Transactions with non-controlling shareholders									
Dividends paid by a subsidiary	-	-	-	-	-	-	-	(118)	(118)
Acquisition of non-controlling interests	-	-	(920)	-	-	-	(920)	(14,950)	(15,870)
Total transactions with non-controlling shareholders	-	-	(920)	-	-	-	(920)	(15,068)	(15,988)
Balance at 31 December 2021	37,288	(871)	(1,043)	(88)	330	94,584	130,200	-	130,200

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Company	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 January 2022	37,288	9,919	47,207
Profit for the financial year	-	16,540	16,540
Total comprehensive income for the financial year	-	16,540	16,540
Transaction with the owners			
Dividends paid	-	(12,163)	(12,163)
Total transactions with the owners	-	(12,163)	(12,163)
Balance at 31 December 2022	37,288	14,296	51,584
Balance at 1 January 2021	37,288	6,389	43,677
Profit for the financial year	-	13,260	13,260
Total comprehensive income for the financial year	-	13,260	13,260
Transaction with the owners			
Dividends paid	-	(9,730)	(9,730)
Total transactions with the owners	-	(9,730)	(9,730)
Balance at 31 December 2021	37,288	9,919	47,207

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General corporate information

Multi-Chem Limited is a public limited company, incorporated and domiciled in Singapore with its registered office and principal place of business at 18 Boon Lay Way, #05-113, Tradehub 21, Singapore 609966. The Company's registration number is 198500318Z. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Group's ultimate controlling parties are Mr Foo Suan Sai and Mdm Han Juat Hoon.

The principal activities of the Company are those of investment holding and provision of value-added printed circuit board ("PCB") manufacturing services, to PCB fabricators and the distribution of specialty chemicals and other PCB related products and equipment to PCB fabricators.

The principal activities of the subsidiaries are distribution of hardware and software relating to internet and network products, and provision of maintenance services for such products.

2. Basis of Preparation

The condensed consolidated interim financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed consolidated 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 annual financial statements for the year ended 31 December 2021.

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

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

2.1. New and amended standards adopted by the Group

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 consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

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

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 notes:

- Note 9 – Allowance for inventory obsolescence
- Note 10 – Loss allowance for impairment of trade receivables

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3. Seasonal operations

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

4. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker.

Management considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in these primary geographic areas: Singapore, Greater China (including Hong Kong and Taiwan), Australia, India and other countries. These locations are engaged in the manufacturing, distribution of PCB and distribution of IT products.

The Group has two reportable segments being PCB business and IT business.

4.1. Reportable segments

	Singapore	Greater China	Australia	India	Others	Elimination and adjustments	Total
	IT business \$'000	PCB business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	IT business \$'000	\$'000
1 July 2022 to 31 December 2022							
Revenue							
- External sales	157,286	958	25,628	25,621	26,667	78,959	315,119
- Inter-segment sales	-	-	-	-	15	-	(15)
Total revenue	157,286	958	25,628	25,621	26,682	78,959	315,119

	IT business \$'000	PCB business \$'000	Elimination and adjustments \$'000	Total \$'000
Segment results				
Interest income	431	197	-	628
Interest expense	(214)	(1)	-	(215)
Depreciation of property, plant and equipment	(488)	(180)	-	(668)
<i>Other non-cash items:</i>				
- Gain on disposal of property, plant and equipment	63	-	-	63
- Amortisation of club memberships	(5)	-	-	(5)
- Depreciation of right-of-use assets	(591)	(30)	-	(621)
- Third party trade receivables written off	(5)	-	-	(5)
- Inventories written off	(37)	-	-	(37)
- Property, plant and equipment written off	(1)	-	-	(1)
- Unrealised foreign exchange loss	(243)	(1,164)	-	(1,407)
- Allowance made for inventory obsolescence	(2,552)	(4)	-	(2,556)
- Reversal of allowance on third party trade receivables	872	-	-	872
- Fair value change in financial asset, at FVPL	-	95	-	95
Segment profit/(loss)	15,931	(3,367)	-	12,564

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4.1. Reportable segments (Continued)

	Singapore	Greater China	Australia	India	Others		
	PCB						
1 July 2022 to	IT business	business	IT business	IT business	IT business	IT business	Unallocated
31 December 2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure							
Property, plant and equipment	112	1	20	2	16	61	-
							212

	Singapore	Greater China	Australia	India	Others		
	PCB		IT		Elimination and adjustments		Total
1 July 2021 to	IT business	business	business	IT business	IT business	IT business	\$'000
31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue							
- External sales	161,522	1,047	27,560	21,035	28,726	65,213	-
- Inter-segment sales	-	-	-	-	4	-	(4)
Total revenue	161,522	1,047	27,560	21,035	28,730	65,213	(4)

	IT business	PCB business	Elimination and adjustments	Total
	\$'000	\$'000	\$'000	\$'000
Segment results				
Interest income	327	-	-	327
Interest expense	(202)	(2)	-	(204)
Depreciation of property, plant and equipment	(490)	(156)	-	(646)
Other non-cash items:				
- Gain on disposal of property, plant and equipment	142	97	-	239
- Amortisation of club memberships	(5)	-	-	(5)
- Depreciation of right-of-use assets	(614)	(51)	-	(665)
- Inventories written off	(14)	-	-	(14)
- Property, plant and equipment written off	-	(1)	-	(1)
- Unrealised foreign exchange loss	(72)	(119)	-	(191)
- Allowance (made)/reversed for inventory obsolescence	(1,134)	6	-	(1,128)
- Reversal of allowance on third party trade receivables	141	-	-	141
- Fair value change in financial asset, at FVPL	-	76	-	76
Segment profit/(loss)	20,516	(2,930)	-	17,586

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4.1. Reportable segments (Continued)

	Singapore	Greater China	Australia	India	Others		
	PCB						
1 July 2021 to	IT business	business	IT business	IT business	IT business	IT business	Unallocated
31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure							
Property, plant and equipment	123	1	6	20	72	341	-
							563

	Singapore	Greater China	Australia	India	Others		
	IT business	PCB business	IT business	IT business	IT business	IT business	Elimination and adjustments
1 January 2022 to	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2022							Total
Revenue							
- External sales	314,074	2,024	51,285	47,705	59,013	142,879	-
- Inter-segment sales	1	-	-	-	15	-	(16)
Total revenue	314,075	2,024	51,285	47,705	59,028	142,879	(16)
							616,980

	IT business	PCB business	Elimination and adjustments	Total
	\$'000	\$'000	\$'000	\$'000
Segment results				
Interest income	817	199	-	1,016
Interest expense	(454)	(3)	-	(457)
Depreciation of property, plant and equipment	(974)	(340)	-	(1,314)
Other non-cash items:				
- Gain on disposal of property, plant and equipment	155	-	-	155
- Amortisation of club memberships	(10)	-	-	(10)
- Depreciation of right-of-use assets	(1,204)	(87)	-	(1,291)
- Third party trade receivables written off	(43)	-	-	(43)
- Inventories written off	(81)	-	-	(81)
- Property, plant and equipment written off	(1)	-	-	(1)
- Unrealised foreign exchange loss	(2,662)	(380)	-	(3,042)
- Allowance made for inventory obsolescence	(4,588)	(4)	-	(4,592)
- Reversal of allowance on third party trade receivables	275	-	-	275
- Fair value change in financial asset, at FVPL	-	155	-	155
Segment profit/(loss)	26,453	(857)	-	25,596

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4.1. Reportable segments (Continued)

	Singapore		Greater China	Australia	India	Others		
	PCB							
1 January 2022 to	IT business	business	IT business	IT business	IT business	IT business	Unallocated	Total
31 December 2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure								
Property, plant and equipment	242	108	24	2	149	331	-	856
31 December 2022								
Assets and liabilities								
Segment assets	175,335	23,989	17,886	19,520	25,883	55,185	11,504	329,302
Segment liabilities	113,439	5,281	8,908	13,558	16,945	29,860	4,215	192,206

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4.1. Reportable segments (Continued)

	Singapore	Greater China	Australia	India	Others		
	IT business	PCB business	IT business	IT business	IT business	IT business	Elimination and adjustments
1 January 2021 to 31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue							Total
- External sales	288,743	2,070	62,657	51,993	68,034	130,143	603,640
- Inter-segment sales	-	-	-	-	4	-	(4)
Total revenue	288,743	2,070	62,657	51,993	68,038	130,143	603,640

	IT business	PCB business	Elimination and adjustments	Total
	\$'000	\$'000	\$'000	\$'000
Segment results				
Interest income	543	59	-	602
Interest expense	(323)	(4)	-	(327)
Depreciation of property, plant and equipment	(988)	(316)	-	(1,304)
<i>Other non-cash items:</i>				
- Gain on disposal of property, plant and equipment	144	97	-	241
- Amortisation of club memberships	(10)	-	-	(10)
- Depreciation of right-of-use assets	(1,228)	(73)	-	(1,301)
- Inventories written off	(52)	-	-	(52)
- Property, plant and equipment written off	-	(1)	-	(1)
- Unrealised foreign exchange (loss)/gain	(1,371)	318	-	(1,053)
- Allowance (made)/reversed for inventory obsolescence	(2,293)	6	-	(2,287)
- Reversal of allowance/(loss allowance) on third party trade receivables	550	(3)	-	547
- Fair value change in financial asset, at FVPL	-	134	-	134
Segment profit/(loss)	38,205	(2,254)	-	35,951

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4.1. Reportable segments (Continued)

	Singapore	Greater China	Australia	India	Others		
	PCB						
1 January 2021 to	IT business	business	IT business	IT business	IT business	IT business	Unallocated
31 December 2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure							
Property, plant and equipment	196	4	19	21	92	405	-
							737
31 December 2021							
Assets and liabilities							
Segment assets	156,929	20,398	22,763	16,016	26,479	46,413	9,447
							298,445
Segment liabilities	93,428	5,841	12,178	10,243	16,958	24,180	5,417
							168,245

Geographical segments

	Singapore	Greater China	Australia	India	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1 July 2022 to 31 December 2022						
Revenue from external customers	134,537	26,149	26,344	26,850	101,239	315,119
1 July 2021 to 31 December 2021						
Revenue from external customers	141,201	31,411	21,013	25,568	85,910	305,103
1 January 2022 to 31 December 2022						
Revenue from external customers	271,680	52,381	48,415	60,012	184,492	616,980
1 January 2021 to 31 December 2021						
Revenue from external customers	249,829	67,246	51,444	65,960	169,161	603,640
31 December 2022						
Non-current assets	7,460	610	2,674	1,004	1,626	13,374
31 December 2021						
Non-current assets	7,522	836	2,883	907	1,301	13,449

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4.2. Disaggregation of Revenue

	At a point time		Group Over time		Total	
	6 months ended		6 months ended		6 months ended	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021	31-12-2022	31-12-2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
IT business						
- Distribution of IT products	307,010	297,285	-	-	307,010	297,285
- In-house maintenance services	-	-	4,822	4,354	4,822	4,354
- Professional services	2,189	2,203	-	-	2,189	2,203
- Training services	138	214	-	-	138	214
PCB business						
- PCB services	447	505	-	-	447	505
- Distribution of PCB related products	266	302	-	-	266	302
	<u>310,050</u>	<u>300,509</u>	<u>4,822</u>	<u>4,354</u>	<u>314,872</u>	<u>304,863</u>
Rental						
IT					2	-
PCB					245	240
					<u>315,119</u>	<u>305,103</u>

	At a point time		Group Over time		Total	
	12 months ended		12 months ended		12 months ended	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021	31-12-2022	31-12-2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
IT business						
- Distribution of IT products	600,801	588,639	-	-	600,801	588,639
- In-house maintenance services	-	-	9,562	8,108	9,562	8,108
- Professional services	4,378	4,456	-	-	4,378	4,456
- Training services	208	345	-	-	208	345
PCB business						
- PCB services	948	1,017	-	-	948	1,017
- Distribution of PCB related products	589	575	-	-	589	575
	<u>606,924</u>	<u>595,032</u>	<u>9,562</u>	<u>8,108</u>	<u>616,486</u>	<u>603,140</u>
Rental						
IT					7	22
PCB					487	478
					<u>616,980</u>	<u>603,640</u>

BREAKDOWN OF SALES

	2022 \$'000	2021 \$'000	Increase %
Sales reported for first half year	301,861	298,537	1
Profit after tax before deducting non-controlling interests reported for first half year	9,651	12,950	(25)
Sales reported for second half year	315,119	305,103	3
Profit after tax before deducting non-controlling interests reported for second half year	10,346	14,384	(28)

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5. Profit before taxation

The profit before income tax is arrived at after (charging)/crediting:

Group	6 months ended			12 months ended		
	31/12/2022	31/12/2021	Change	31/12/2022	31/12/2021	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Other gains	1,038	959	8	1,613	2,460	(34)
Interest income	628	327	92	1,016	602	69
Interest expense	(215)	(204)	5	(457)	(327)	40
Amortisation of club memberships	(5)	(5)	-	(10)	(10)	-
Depreciation of property, plant and equipment	(668)	(646)	3	(1,314)	(1,304)	1
Depreciation of right-of-use assets	(621)	(665)	(7)	(1,291)	(1,301)	(1)
Reversal of allowance on third party trade receivables	872	141	518	275	547	(50)
Third party trade receivables written off	(5)	-	Nm	(43)	-	Nm
Allowance made for inventory obsolescence	(2,556)	(1,128)	127	(4,592)	(2,287)	101
Inventories written off	(37)	(14)	164	(81)	(52)	56
Foreign exchange (loss)/gain, net	(2,627)	577	(555)	(3,964)	1,476	(369)
Gain on disposal of property, plant and equipment	63	239	(74)	155	241	(36)
Property, plant and equipment written off	(1)	(1)	-	(1)	(1)	-
Third party trade and other payables written off	177	76	133	221	76	191
Gain on lease modifications	-	1	(100)	-	7	(100)
Fair value change in financial asset, at FVPL	95	76	25	155	134	16

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Group Earnings per share attributable to owners of the parent during the financial period/year (expressed in cents per share)	6 months ended		12 months ended	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
(i) Based on weighted average number of shares	11.48 cents	14.87 cents	22.20 cents	27.70 cents
- Weighted average number of shares ('000)	90,095	90,095	90,095	90,095
(ii) On fully diluted basis	11.48 cents	14.87 cents	22.20 cents	27.70 cents
- Adjusted weighted average number of shares ('000)	90,095	90,095	90,095	90,095

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7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	31-Dec-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021
Net asset value per share based on existing issued share capital as at the respective period	152.17 cents	144.51 cents	57.26 cents	52.40 cents

The net asset value per ordinary share at the end of the current period and the immediately preceding financial year have been calculated based on 90,095,000 ordinary shares.

8. **Issues, repurchases and repayment of debt and equity securities.**

Not applicable.

9. **Inventories**

During the six months ended 31 December 2022, the Group carried out a review of the realisable values of its inventories and the review led to the recognition of an allowance for inventory obsolescence and inventories written off of \$2,556,000 and \$37,000 (six months ended 31 December 2021: \$1,128,000 and \$14,000) respectively that have been included in "cost of sales" line item in profit or loss.

During the full year ended 31 December 2022, the Group carried out a review of the realisable values of its inventories and the review led to the recognition of an allowance for inventory obsolescence and inventories written off of \$4,592,000 and \$81,000 (31 December 2021: \$2,287,000 and \$52,000) respectively that have been included in "cost of sales" line item in profit or loss.

10. **Trade and other receivables**

	Group	
	31-12-2022	31-12-2021
	\$'000	\$'000
Non-current assets		
Trade receivables – third parties	11,821	11,012
Current assets		
Trade receivables		
- third parties	140,213	129,031
Loss allowance on third party trade receivables	(5,160)	(5,635)
	135,053	123,396
Non-trade receivables		
- third parties	11,155	7,180
	146,208	130,576
Deposits	485	518
Value added tax	772	1,608
Total current trade and other receivables	147,465	132,702
Total trade and other receivables	159,286	143,714

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10. Trade and other receivables (Continued)

Non-current trade receivables due from third parties are unsecured, non-interest bearing and expected to be settled within 2 to 5 years (2021: 2 to 6 years).

Current trade receivables due from third parties are unsecured, non-interest bearing and generally on 30 to 120 (2021: 30 to 120) days credit terms.

The fair values of non-current trade receivables are computed based on cash flows discounted at market borrowing rates. The fair values approximate their carrying amounts.

The age analysis of trade receivables is as follows:

	Group	
	31-12-2022	31-12-2021
	\$'000	\$'000
Current	114,985	102,854
Past due 0 to 1 month	16,046	17,510
Past due 1 to 2 months	9,685	12,763
Past due 2 to 5 months	7,543	2,776
Past due over 5 months	3,775	4,140
Total	152,034	140,043

Trade receivables are present in:

Non-current assets	11,821	11,012
Current assets	140,213	129,031
	152,034	140,043

Management applied the "simplified approach" for assessing expected credit losses for trade receivables from third parties. Under the simplified approach, the Group's management developed a provision matrix using historical credit loss rates adjusted with forward looking information to reflect the effects of the current and future economic conditions in each geographical region, credit rating in each geographical region and customer credit control checks.

Movements in loss allowance on third party trade receivables were as follows:

	Group	
	31-12-2022	31-12-2021
	\$'000	\$'000
Balance at beginning of financial year	5,635	6,741
Loss allowance made during the financial year		
- made for lifetime expected credit loss, not credit impaired	251	300
- reversed lifetime expected credit loss, credit impaired	(526)	(847)
Receivable written off as uncollectible	(8)	(651)
Currency translation adjustment	(192)	92
Balance at end of financial year	5,160	5,635

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10. Trade and other receivables (Continued)

As at 31 December 2022, trade receivables of \$2,352,000 (31 December 2021: \$2,974,000) had lifetime expected credit losses of the full value of the receivables. These receivables due at the end of financial year relates to customers located in various geographical areas. The main factors considered in determining the lifetime expected credit losses for these customers are debts past due more than 5 months and there was currently uncertainty over the recoverability of the debts.

The allowance on third party trade receivables by jurisdiction were as below:

	Group	
	31-12-2022	31-12-2021
	\$'000	\$'000
IT business		
- Australia	151	508
- Singapore	1,535	2,141
- Greater China	1,043	340
- India	1,764	2,046
- Rest of Southeast Asia	607	536
- Others	57	61
	<u>5,157</u>	<u>5,632</u>
PCB business		
- Singapore	3	3
Total	<u>5,160</u>	<u>5,635</u>

11. Borrowings

Amount repayable in one year or less, or on demand

As at 31 Dec 2022		As at 31 Dec 2021	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	1,000	-	500

Amount repayable after one year

As at 31 Dec 2022		As at 31 Dec 2021	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	417	-	1,500

Additional information and details of any collateral

Not applicable.

Multi-Chem Limited

Registration No. 198500318Z

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	Issued shares '000	Share capital \$'000	Total share capital \$'000
Balance at 1 Jan 2022 and 31 December 2022	90,095	37,288	37,288
Balance at 1 Jan 2021 and 31 December 2021	90,095	37,288	37,288

The Company did not hold any treasury shares as at 31 December 2022 and 31 December 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 31 December 2021.

13. A statement showing all sales, transfers, disposal, cancellation and/or issue of treasury shares as at the end of the current financial period reported on.

Not applicable.

Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement

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OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

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

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

and

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

1.1 REVENUE

The Group achieved revenue of \$315.1m for the six months ended 31 December 2022 ("2H2022"), an increase of 3.3% or \$10.0m compared to the revenue of \$305.1m for the six months ended 31 December 2021 ("2H2021"). For the twelve months ended 31 December 2022 ("12M2022"), the Group achieved revenue of \$617.0m, a year-on-year increase of 2.2% or \$13.4m, compared to revenue of \$603.6m achieved for the twelve months ended 31 December 2021 ("12M2021").

Comparing 2H2022 to 1H2022, revenue increased by 4.4% or \$13.2m, from \$301.9m in 1H2022 to \$315.1m in 2H2022.

IT Division

The IT Distribution business achieved revenue of \$314.2m in 2H2022, an increase of 3.4% or \$10.2m, from \$304.0m in 2H2021. On a twelve months basis, this division grew by 2.2% or \$13.5m, from \$601.5m in 12M2021 to \$615.0m in 12M2022.

Comparing 2H2022 to 1H2022, revenue in IT business increased by 4.5% or \$13.4m, from \$300.8m in 1H2022 to \$314.2m in 2H2022.

The increase in revenue for 12M2022 was mainly due to the increase in customer demand and some significant transactions closed during 12M2022.

PCB Division

Revenue in this Division decreased by 18.2% or \$200,000, from \$1.1m in 2H2021 to \$0.9m in 2H2022. On a twelve months basis, revenue in this division decreased by 4.8% or \$100,000, from \$2.1m in 12M2021 to \$2.0m in 12M2022. The decrease in revenue was mainly due to lower customer demand during 12M2022.

Comparing 2H2022 to 1H2022, revenue in this Division decreased by 18.2% or \$200,000, from \$1.1m in 1H2022 to \$0.9m in 2H2022.

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1.2 PROFIT BEFORE TAX ("PBT")

The Group registered a PBT of \$12.6m in 2H2022, as compared to \$17.6m in 2H2021.

The decrease in PBT was mainly due to the following:

- (1) A decrease in gross profit of \$2.8m mainly due to the drop in gross profit margin and the increase in allowance for inventory obsolescence of \$1.5m from \$1.1m in 2H2021 to \$2.6m in 2H2022 based on the review of inventory obsolescence performed as at 31 December 2022; and
- (2) Net foreign exchange loss of \$2.6m in 2H2022, as compared to net foreign exchange gain of \$577,000 in 2H2021 mainly due to appreciation of United States dollar against Singapore dollar and local currencies in 2H2022. Excluding net foreign exchange differences, the Group reported a PBT of \$15.2m in 2H2022, compared to a PBT of \$17.0m in 2H2021.

The decrease in PBT was however pared by the following:

- (1) An increase in reversal of allowance on third party trade receivables of \$731,000 from \$141,000 in 2H2021 to \$872,000 in 2H2022, based on the impairment review performed as at 31 December 2022 in accordance to SFRS(I) 9; and
- (2) An increase in interest income of \$301,000 from \$327,000 in 2H2021 to \$628,000 in 2H2022, mainly due to the increase in fixed deposits placed with the financial institutions.

Comparing 2H2022 to 1H2022, the Group PBT stood at \$12.6m in 2H2022 as compared to \$13.0m in 1H2022. The decrease was mainly due to higher net foreign exchange loss and allowance for inventory obsolescence in 2H2022, offset by reversal of allowance on third party trade receivables in 2H2022 as compared to loss allowance on third party trade receivables in 1H2022.

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1.3 PROFIT AFTER TAX ("PAT")

In 2H2022, the Group achieved PAT of \$10.3m as compared to \$14.4m in 2H2021, mainly due to the decrease in PBT offset by the decrease in income tax expenses. The decrease in income tax expenses from \$3.2m in 2H2021 to \$2.2m in 2H2022 was mainly due to lower profit attained and the recognition of deferred tax assets in 2H2022.

Comparing 2H2022 to 1H2022, Group PAT increased by 6.2% or \$695,000, from \$9.7m in 1H2022 to \$10.3m in 2H2022. The increase was mainly due to the decrease in income tax expenses due to lower profit attained and the recognition of deferred tax assets in 2H2022.

Income tax expenses comprised mainly current income tax, deferred tax and withholding tax expenses of the Group.

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1.4 STATEMENTS OF FINANCIAL POSITION REVIEW

Presented below is a review of material changes in the key statements of financial position items as at 31 December 2022 compared to 31 December 2021.

Property, plant and equipment decreased by \$279,000 at the Group level mainly due to depreciation charge and disposal of plant and equipment, net of purchase of plant and equipment in Year 2022. At the Company level, property, plant and equipment increased from \$785,000 to \$869,000 due to purchase of plant and equipment net of depreciation charge in Year 2022.

Investments in subsidiaries decreased by \$105,000 at the Company level due to impairment loss for investment in a subsidiary recognised in Year 2022.

Club memberships increased by \$276,000 at the Group level mainly due to purchases of club memberships, net of amortisation charge in Year 2022. At the Company level, club memberships remained unchanged.

Right-of-use assets decreased by \$1.5m at the Group level mainly due to depreciation charge and reclassification to property, plant and equipment upon maturity of the lease payment obligations, net of additions of right-of-use assets due to leases renewal in Year 2022. At Company level, right-of-use assets decreased by \$347,000 due to depreciation charge and reclassification to property, plant and equipment upon maturity of the lease payment obligations in Year 2022.

Deferred tax assets increased by \$383,000 at the Group level mainly due to recognition of deferred tax assets in Year 2022 based on the assessment on the probability of realising the related tax benefits of temporary difference through future taxable profits. There were no deferred tax assets at Company level.

Financial asset, at FVOCI refers to financial asset at fair value through other comprehensive income and the Group has elected to classify equity investments, which are not accounted for as subsidiary, associate or jointly controlled entity, as financial asset at fair value through other comprehensive income. This decreased by \$194,000 at the Group level due to fair value change in Year 2022. There was no financial asset, at FVOCI at the Company level.

Financial asset, at FVPL refers to financial asset at fair value through profit or loss. The Group and the Company classified the investment in life insurance plan as financial assets at fair value through profit or loss and this increased by \$121,000 at both the Group and the Company level due to fair value gain, net of currency revaluation loss in Year 2022.

Cash and cash equivalents at the Group level decreased by \$4.9m from \$74.4m to \$69.5m. The decrease was mainly due to the increase in working capital requirement owing to the higher business volume and dividends paid to shareholders. At the Company level, cash and cash equivalents increased by \$3.9m from \$10.4m to \$14.3m mainly due to dividends received from subsidiaries, net of dividends paid to shareholders.

Trade and other receivables of the Group increased by \$15.6m from \$143.7m to \$159.3m, mainly due to higher revenue attained in Year 2022 and advances paid to suppliers for purchases prior to the delivery of goods and services. At the Company level, trade and other receivables increased by \$344,000 from \$33.2m to \$33.5m mainly due to advances to a subsidiary, net of repayment from a subsidiary.

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1.4 STATEMENTS OF FINANCIAL POSITION REVIEW (Continued)

Inventories at the Group level increased by \$17.9m from \$51.4m to \$69.3m mainly due to increased purchases to cater for contracts not yet fulfilled. At the Company level, inventories decreased by \$16,000 from \$461,000 to \$445,000.

Prepayments increased by \$1.8m from \$1.2m and \$3.0m at the Group level was mainly due to prepayment of five-year's license fees for new ERP system in Year 2022. Prepayments at Company level decreased by \$74,000 from \$334,000 to \$260,000.

Current income tax recoverable increased by \$1.6m from \$4.3m to \$5.9m at the Group level mainly due to increase in tax deducted at source in Year 2022. There was no current income tax recoverable at the Company level.

Trade and other payables increased by \$23.1m from \$130.4m to \$153.5m at the Group level mainly due to increased purchases corresponding with the increase in revenue in Year 2022. Non-current trade payables refer to trade payables on schedule billing arrangement. At the Company level, trade and other payables decreased by \$454,000 from \$5.7m to \$5.2m mainly due to the decrease in accrued operating expenses in Year 2022.

Contract liabilities increased by \$3.8m from \$26.7m to \$30.5m at the Group level mainly due to increase in advance billings and rebate to customers. There was no contract liability at the Company level.

Bank borrowings decreased by \$583,000 from \$2.0m to \$1.4m at the Group level mainly due to repayments made to the financial institutions. There was no bank borrowing at the Company level.

Foreign currency translation account increased by \$773,000 from \$871,000 to \$1.6m at the Group level mainly due to depreciation of United States dollar against Singapore dollar.

Other reserves increased by \$176,000 from \$801,000 to \$977,000 at the Group level mainly due to fair value change in financial asset, at FVOCI in Year 2022.

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1.5 CASH FLOW ANALYSIS

Net cash of \$12.1m was generated from operating activities in 12M2022, as compared to net cash of \$26.9m generated in 12M2021. This was mainly due to lower profit before income tax and increase in inventories, trade and other receivables owing to higher business volume, net of increase in trade and other payables, and contract liabilities.

Net cash of \$939,000 was used in investing activities in 12M2022, as compared to \$896,000 used in investing activities in 12M2021. The change was mainly due to purchase of plant and equipment of \$856,000 and purchase of club memberships of \$296,000, net of proceeds from disposal of plant and equipment of \$213,000 in 12M2022, as compared to purchase of plant and equipment of \$737,000 and additions to right-of-use assets of \$428,000, net of proceeds from disposal of plant and equipment of \$269,000 in 12M2021.

Net cash of \$14.5m was used in financing activities in 12M2022, as compared to net cash of \$20.1m used in financing activities in 12M2021. This was mainly due to repayment of bank borrowings of \$5.5m, payment of dividend of \$12.2m and repayment of lease liabilities of \$1.3m, net of proceeds from bank borrowings of \$4.9m in 12M2022, as compared to net cash outflow from acquisition of interest in a subsidiary of \$15.9m, repayment of bank borrowings of \$10.5m, payment of dividend of \$9.7m and repayment of lease liabilities of \$1.3m, net of lift in fixed deposits pledged of \$9.9m and proceeds from bank borrowings of \$7.7m in 12M2021.

Cash and cash equivalents stood at \$69.5m as at end of 31 December 2022, down from \$74.4m as at end of 31 December 2021.

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- 2. A commentary at the date of the announcement of the 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 twelve months.**

IT

The IT business through Singapore and the regional offices experienced a year-on-year revenue growth of 3.4% in 2H2022. On full year basis, revenue in IT business increased by 2.2%. The increase in revenue was mainly due to the increase in customer demands. With the global economy already weakened by COVID-19 pandemic, the Russian-Ukraine conflict magnified the slowdown in global economy recovery and increased inflationary pressures. The Group is monitoring the impact on the global economy and will continue to be vigilant during this challenging time.

The Group has a focused strategy of selling and promoting only the best-of-breed IT products. Among the products the Group currently carries are industry-leading IT products from Arista, Check Point, CyberArk, Imperva, Trellix (formerly McAfee), Proofpoint, RSA, Solarwinds, Symantec (a division of Broadcom) and Trend Micro.

To promote technical competency internally and to train its partners, the Group is able to provide certified IT training through the Education Services Division of M.Tech Products Pte Ltd, which is authorised to conduct training for Allot, Check Point and Symantec (a division of Broadcom) courses. This business is complementary to the core IT distribution business and is expected to bring about more awareness and technical knowledge through the courses conducted.

As at 31 December 2022, the Group's IT business had a presence in 28 cities in 15 countries in the Asia Pacific region and Europe. M.Tech offices in countries that are already mature in operations are expected to contribute more to the Group's performance.

The near term outlook in the IT business is dependent on events such as those political or economic in nature and such events could affect business in certain markets. With the current inflation peaking, rising interest rates and the Russian-Ukraine conflict, the global economic outlook remains uncertain which in turn will affect the Group's business. However, IT is still a critical requirement in businesses and security will continue to remain an integral part of the IT infrastructure. This should augur well for the Group's business.

For growth, the Group will focus on its best-of-breed products and will continue to look out for opportunities for regional expansion. The Group will also be selective of the products we carry so as to be able to do the best for the principals that the M.Tech companies represent. The Group will also promote the M.Tech brand name and intends to work closely with key partners to further promote the products.

PCB

Revenue in PCB division remained relatively unchanged when compared with the corresponding periods in year 2021. The revenue growth in PCB division is expected to limited in year 2023.

As at 31 December 2022, the Group had 7 mechanical drilling machines in Singapore.

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For the six months and full year ended 31 December 2022

3. Risk Factors

The Group's primary business risk is in its IT business. In the area of IT business, the Group is subject to risk of reliance on a few key vendors, with respect to their channel strategies, as well as product roadmap. The Group is also exposed to the risks of product obsolescence with respect to the hardware carried. To mitigate such risk, the Group has taken steps to align with the leading names in the IT arena. The Group monitors its inventories on a quarterly basis and will make allowances where necessary.

The Group is also exposed to foreign exchange risks as we transact with our suppliers, vendors and customers in Singapore dollar, US dollar, Chinese renminbi, Australian dollar, Thailand baht, Malaysian ringgit, Indian rupee, Indonesian rupiah, Taiwan dollar, Hong Kong dollar, Philippines peso, and to a lesser extent, Euro, Korean won, Japanese yen, Vietnam dong, New Zealand dollar, British Pound and Sri Lankan rupee. The Group may, from time to time, enter into borrowing and foreign currency arrangements to reduce its foreign currency exposure. With any volatility in the US dollar, the Group expects to be exposed to a higher foreign exchange risk against some of the local currencies we collect from the customers.

The Group is also exposed to the political, legal and economic climates of the country in which the Group is operating. Economic and political conditions are still key factors in determining the level of IT spending.

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

The actual results for 12M2022 were largely in line with the prospect commentary disclosed to the shareholders on 18 February 2022.

Unaudited Condensed Consolidated Interim Financial Statements and Dividend Announcement*For the six months and full year ended 31 December 2022***5. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited annual financial statements for the financial year ended 31 December 2021. In addition, the Group also adopted various revisions to Singapore Financial Reporting Standards (International) ("SFRS(I)"), which became effective during the period. The said adoption has no significant impact to the financial statements of the Group.

6. If there are any changes in accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

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

The figures presented in the announcement have not been audited or reviewed by our auditors.

8. Where the figures have been audited or reviewed, the auditor's report (including any qualification of emphasis of a matter).

Not applicable.

8A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

9. Dividends**(a) Current Financial Period Reported On**

Name of Dividend	2022	Proposed 2022	2022 Total
	Interim Ordinary Tax Exempt – 1-Tier	Final Tax Exempt – 1-Tier	
Dividend Type	Cash	Cash	Cash
Dividend Amount (Cents Per Share)	6.60	11.10	17.70

(b) Corresponding Year of the Immediately Preceding Financial Year

Name of Dividend	2021	2021	2021 Total
	Interim Ordinary Tax Exempt – 1-Tier	Final Tax Exempt – 1-Tier	
Dividend Type	Cash	Cash	Cash
Dividend Amount (Cents Per Share)	4.20	6.90	11.10

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For the six months and full year ended 31 December 2022

9. DIVIDEND (Continued)

(c) Record date and dividend payment date

The proposed final tax exempt (one-Tier) dividend of 11.10 cents per ordinary share, if approved by shareholders at the forthcoming Annual General Meeting to be convened, will be paid on 26 May 2023.

The record (entitlement) date and time of the proposed final dividend will be on 16 May 2023 at 5:00 p.m. and the book closure date will be on 17 May 2023.

10. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions. If no IPT mandate has been obtained, a statement to that effect.

There is no general mandate from shareholders for IPTs obtained.

11. 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 confirmed that it has procured undertakings from all its directors and executive officer under Rule 720(1) of the Listing Manual.

12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

There is no person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer.

BY ORDER OF THE BOARD

Foo Suan Sai
Chief Executive Officer
17 February 2023