

EnGro Corporation Limited and its Subsidiaries
Registration Number: 197302229H

Condensed Interim Financial Information
For the Second Half and Financial Year ended
31 December 2021

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Condensed Interim Consolidated statement of profit or loss
For the second half and financial year ended 31 December 2021

		<u>Group</u>			<u>Group</u>		
	Note	2H2021	2H2020	Change	FY2021	FY2020	Change
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue		67,249	51,645	30.2	129,642	96,934	33.7
Other income		1,568	2,447	(35.9)	3,391	3,898	(13.0)
Changes in inventories of finished goods and work in progress		1,409	1,588	(11.3)	(685)	(4,678)	(85.4)
Raw materials and consumables used		(53,495)	(39,919)	34.0	(99,094)	(68,407)	44.9
Depreciation of property, plant and equipment		(804)	(1,056)	(23.9)	(1,733)	(2,181)	(20.5)
Depreciation of right-of-use assets		(858)	(661)	29.8	(1,128)	(1,256)	(10.2)
Amortisation of intangible assets		(38)	(46)	(17.4)	(74)	(90)	(17.8)
Staff costs		(4,659)	(9,310)	(50.0)	(14,020)	(15,090)	(7.1)
Impairment loss on financial assets		(3,213)	(1,322)	n.m.	(3,648)	(1,579)	n.m.
Other expenses		(7,563)	(8,221)	(8.0)	(14,125)	(13,970)	1.1
Results from operating activities		<u>(404)</u>	<u>(4,855)</u>	91.7	<u>(1,474)</u>	<u>(6,419)</u>	77.0
Finance income	4	17,124	15,239	12.4	30,746	17,603	74.7
Finance costs	4	(289)	(800)	(63.9)	(433)	(278)	55.8
Net finance income		<u>16,835</u>	<u>14,439</u>	16.6	<u>30,313</u>	<u>17,325</u>	75.0
Share of profit of associates and joint ventures, net of tax		7,044	8,580	(17.9)	19,281	11,399	69.1
Profit before tax		23,475	18,164	29.2	48,120	22,305	n.m.
Tax credit/(expense)	5	277	(185)	n.m.	102	(318)	n.m.
Profit for the period/year		<u>23,752</u>	<u>17,979</u>	32.1	<u>48,222</u>	<u>21,987</u>	n.m.
Profit attributable to:							
Owners of the Company		23,506	17,880	31.5	47,887	22,021	n.m.
Non-controlling interests		246	99	n.m.	335	(34)	n.m.
Profit for the period/year		<u>23,752</u>	<u>17,979</u>	32.1	<u>48,222</u>	<u>21,987</u>	n.m.
Earnings per share							
Basic earnings per share (cents)	6	<u>19.80</u>	<u>15.07</u>		<u>40.35</u>	<u>18.56</u>	
Diluted earnings per share (cents)	6	<u>19.80</u>	<u>15.07</u>		<u>40.35</u>	<u>18.56</u>	

n.m. – not meaningful

Condensed Interim Consolidated statement of comprehensive income
For the second half and financial year ended 31 December 2021

	<u>Group</u>			<u>Group</u>		
	<u>2H2021</u>	<u>2H2020</u>	<u>Change</u>	<u>FY2021</u>	<u>FY2020</u>	<u>Change</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Profit for the period/year	23,752	17,979	32.1	48,222	21,987	n.m.
Other comprehensive income						
Items that will not be reclassified to profit or loss:						
Net change in fair value of equity investments at fair value through other comprehensive income	<u>(5,346)</u>	<u>(761)</u>	n.m.	<u>(4,382)</u>	<u>(761)</u>	n.m.
Items that are or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences – foreign operations	(52)	(1,870)	97.2	32	(383)	n.m.
Share of foreign currency translation differences of associates and joint ventures	2,119	2,568	(17.5)	4,611	3,988	15.6
Exchange differences on monetary items forming part of net investment in foreign operations	<u>96</u>	<u>(671)</u>	n.m.	<u>727</u>	<u>(671)</u>	n.m.
	<u>2,163</u>	<u>27</u>	n.m.	<u>5,370</u>	<u>2,934</u>	83.0
Other comprehensive income for the period/year, net of tax	<u>(3,183)</u>	<u>(734)</u>	n.m.	<u>988</u>	<u>2,173</u>	(54.5)
Total comprehensive income for the period/year	<u>20,569</u>	<u>17,245</u>	19.3	<u>49,210</u>	<u>24,160</u>	n.m.
Total comprehensive income attributable to:						
Owners of the Company	20,290	17,108	18.6	48,783	24,117	n.m.
Non-controlling interests	<u>279</u>	<u>137</u>	n.m.	<u>427</u>	<u>43</u>	n.m.
Total comprehensive income for the period/year	<u>20,569</u>	<u>17,245</u>	19.3	<u>49,210</u>	<u>24,160</u>	n.m.

n.m. – not meaningful

Condensed Interim Statements of financial position
As at 31 December 2021

		Group		Company	
	Note	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000
Assets					
Property, plant and equipment	8	4,852	5,201	1,805	1,753
Subsidiaries		—	—	69,129	72,940
Intangible assets		189	194	120	125
Associates and joint ventures	9	134,903	115,466	59,943	59,943
Other investments	10	68,334	53,706	12,143	16,525
Other assets		78	78	78	78
Right-of-use assets	11	16,891	4,244	4,570	3,890
Deferred tax assets		739	186	—	—
Non-current assets		225,986	179,075	147,788	155,254
Other investments	10	8,521	11,019	3,549	6,595
Inventories	12	9,024	10,166	4,127	4,573
Trade and other receivables	13	34,771	43,265	30,136	24,200
Tax recoverable		378	187	—	—
Loan to a subsidiary		—	—	5,499	5,209
Cash and cash equivalents		75,930	44,523	51,249	29,250
Current assets		128,624	109,160	94,560	69,827
Total assets		354,610	288,235	242,348	225,081
Equity					
Share capital	14	85,270	85,270	85,270	85,270
Reserves		217,151	171,905	124,392	114,886
Equity attributable to owners of the Company		302,421	257,175	209,662	200,156
Non-controlling interests		1,664	1,237	—	—
Total equity		304,085	258,412	209,662	200,156
Liabilities					
Lease liabilities	15	17,200	5,192	3,740	3,580
Loans and borrowings	15	3,889	—	3,889	—
Deferred tax liabilities		1,143	917	—	—
Provision for reinstatement costs		336	—	140	—
Non-current liabilities		22,568	6,109	7,769	3,580
Loans and borrowings	15	2,278	1,114	8,562	10,839
Trade and other payables	16	24,379	21,166	15,738	10,145
Lease liabilities	15	1,300	1,434	617	361
Current liabilities		27,957	23,714	24,917	21,345
Total liabilities		50,525	29,823	32,686	24,925
Total equity and liabilities		354,610	288,235	242,348	225,081

Condensed Interim Consolidated statement of changes in equity
For the financial year ended 31 December 2021

	Note	Attributable to owners of the Company							Non-controlling interests \$'000	Total equity \$'000	
		Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated profits \$'000			Total \$'000
Group											
At 1 January 2020		85,270	(40)	(59)	20	(9,074)	(234)	160,141	236,024	1,194	237,218
Total comprehensive income for the year											
Profit for the year		—	—	—	—	—	—	22,021	22,021	(34)	21,987
Other comprehensive income											
Foreign currency translation differences – foreign operations		—	—	—	—	(379)	—	—	(379)	(4)	(383)
Share of foreign currency translation differences of equity-accounted investees		—	—	—	—	3,907	—	—	3,907	81	3,988
Exchange differences on monetary items forming part of net investment in foreign operations		—	—	—	—	(671)	—	—	(671)	—	(671)
Net change in fair value of financial assets at fair value through other comprehensive income		—	—	—	—	—	(761)	—	(761)	—	(761)
Total other comprehensive income		—	—	—	—	2,857	(761)	—	2,096	77	2,173
Total comprehensive income for the year		—	—	—	—	2,857	(761)	22,021	24,117	43	24,160
Transactions with owners, recognised directly in equity											
Distributions to owners											
Dividend declared of 2.5 cents per share	17	—	—	—	—	—	—	(2,966)	(2,966)	—	(2,966)
Total distributions to owners		—	—	—	—	—	—	(2,966)	(2,966)	—	(2,966)
At 31 December 2020		85,270	(40)	(59)	20	(6,217)	(995)	179,196	257,175	1,237	258,412

Condensed Interim Consolidated statement of changes in equity (cont'd)
For the financial year ended 31 December 2021

	Note	Attributable to owners of the Company							Non-controlling interests \$'000	Total equity \$'000
		Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Accumulated profits \$'000	Total \$'000	
Group										
At 1 January 2021		85,270	(40)	(59)	20	(6,217)	(995)	179,196	257,175	258,412
Total comprehensive income for the year										
Profit for the year		–	–	–	–	–	–	47,887	47,887	48,222
Other comprehensive income										
Foreign currency translation differences – foreign operations		–	–	–	–	26	–	–	26	32
Share of foreign currency translation differences of equity-accounted investees		–	–	–	–	4,525	–	–	4,525	4,611
Exchange differences on monetary items forming part of net investment in foreign operations		–	–	–	–	727	–	–	727	727
Net change in fair value of financial assets at fair value through other comprehensive income		–	–	–	–	–	(4,382)	–	(4,382)	(4,382)
Total other comprehensive income		–	–	–	–	5,278	(4,382)	–	896	988
Total comprehensive income for the year		–	–	–	–	5,278	(4,382)	47,887	48,783	49,210
Transactions with owners, recognised directly in equity										
Distributions to owners										
Dividend declared of 2.5 cents per share	17	–	–	–	–	–	–	(2,967)	(2,967)	(2,967)
Special dividend declared of 0.5 cents per share	17	–	–	–	–	–	–	(594)	(594)	(594)
Issue of treasury shares under share option scheme		–	(15)	130	(20)	–	–	–	95	95
Own shares acquired		–	–	(71)	–	–	–	–	(71)	(71)
Total contributions by and distributions to owners		–	(15)	59	(20)	–	–	(3,561)	(3,537)	(3,537)
At 31 December 2021		85,270	(55)	–	–	(939)	(5,377)	223,522	302,421	304,085

Condensed Interim Consolidated statement of changes in equity (cont'd)
For the financial year ended 31 December 2021

	Note	Share capital \$'000	Capital reserve \$'000	Reserve for own shares \$'000	Share option reserve \$'000	Fair value reserve \$'000	Accumulated profits \$'000	Total \$'000
Company								
At 1 January 2020		85,270	(40)	(59)	20	(722)	106,891	191,360
Total comprehensive income for the year								
Profit for the year		—	—	—	—	—	11,647	11,647
Other comprehensive income								
Net change in fair value of financial assets at fair value through other comprehensive income		—	—	—	—	115	—	115
Total other comprehensive income						115	—	115
Total comprehensive income for the year		—	—	—	—	115	11,647	11,762
Transactions with owners, recognised directly in equity								
Distributions to owners								
Dividend declared of 2.5 cents per share	17	—	—	—	—	—	(2,966)	(2,966)
Total distributions to owners		—	—	—	—	—	(2,966)	(2,966)
At 31 December 2020		85,270	(40)	(59)	20	(607)	115,572	200,156
At 1 January 2021								
At 1 January 2021		85,270	(40)	(59)	20	(607)	115,572	200,156
Total comprehensive income for the year								
Profit for the year		—	—	—	—	—	17,425	17,425
Other comprehensive income								
Net change in fair value of financial assets at fair value through other comprehensive income		—	—	—	—	(4,382)	—	(4,382)
Total other comprehensive income						(4,382)	—	(4,382)
Total comprehensive income for the year		—	—	—	—	(4,382)	17,425	13,043
Transactions with owners, recognised directly in equity								
Distributions to owners								
Dividend declared of 2.5 cents per share	17	—	—	—	—	—	(2,967)	(2,967)
Special dividend declared of 0.5 cents per share	17	—	—	—	—	—	(594)	(594)
Issue of treasury shares under share option scheme		—	(15)	130	(20)	—	—	95
Own shares acquired		—	—	(71)	—	—	—	(71)
Total contributions by and distributions to owners		—	(15)	59	(20)	—	(3,561)	(3,537)
At 31 December 2021		85,270	(55)	—	—	(4,989)	129,436	209,662

Condensed Interim Consolidated statement of cash flows
For the financial year ended 31 December 2021

		Group	
	Note	FY2021 \$'000	FY2020 \$'000
Cash flows from operating activities			
Profit before tax		48,120	22,305
Adjustments for:			
Depreciation of property, plant and equipment		1,733	2,181
Depreciation of right-of-use assets		1,128	1,256
Property, plant and equipment written off		318	—
Amortisation of intangible assets		74	90
Dividend income	4	(6,464)	(253)
Gain on disposal of property, plant and equipment		(31)	(64)
Impairment loss on financial assets		3,648	1,579
Impairment loss on property, plant and equipment		—	64
Impairment loss on right-of-use-assets		—	1,683
Impairment loss on intangible assets		—	157
Interest income	4	(562)	(500)
Interest expense		433	271
Other investment income	4	(6,841)	(240)
Net change in fair value of financial assets at fair value through profit or loss		(15,558)	(16,263)
Share of profits of associates and joint ventures, net of tax		(19,281)	(11,399)
		6,717	867
Changes in:			
- Inventories		1,041	4,157
- Trade and other receivables		3,418	3,739
- Trade and other payables		4,443	2,347
Cash generated from operations		15,619	11,110
Tax paid		(423)	(577)
Net cash from operating activities		15,196	10,533
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,858)	(1,574)
Distributions from other investments		4,795	5,701
Dividends received from:			
- associates and joint ventures		6,008	6,901
- other investments		6,464	253
Interest received		562	500
Investment in a joint venture		(1,004)	(581)
Proceeds from disposal of:			
- other investments		11,262	5,081
- property, plant and equipment		177	111
Purchase of other investments		(9,332)	(11,287)
Purchase of intangible assets		(69)	(35)
Net cash from investing activities		17,005	5,070

Condensed Interim Consolidated statement of cash flows (cont'd)
For the financial year ended 31 December 2021

	Note	Group	
		FY2021 \$'000	FY2020 \$'000
Cash flows from financing activities			
Dividends paid	17	(3,561)	(2,966)
Interest paid		(433)	(271)
Payment of lease liabilities		(2,030)	(2,714)
Proceeds from exercise of share options		95	–
Repurchase of own shares		(71)	–
Drawdown of bank loan		5,000	–
Net cash used in financing activities		(1,000)	(5,951)
Net increase in cash and cash equivalents		31,201	9,652
Cash and cash equivalents at 1 January		44,523	34,891
Effect of exchange rate fluctuations on cash held		206	(20)
Cash and cash equivalents at 31 December		75,930	44,523

(i) Cash and cash equivalents comprised:

	Group	
	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000
Fixed deposits	40,191	23,811
Cash and bank balances	35,739	20,712
	75,930	44,523

Notes to the condensed interim consolidated financial statements

1 Corporate information

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

These condensed interim financial statements as at and for the financial year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group).

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

2 Basis of preparation

2.1 Statement of compliance

The condensed interim financial statements for the financial year ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last interim financial statements for the period ended 30 June 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 2.4.

2.2 Functional and presentation currency

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

2.3 Use of estimates and judgements

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 December 2020.

2 Basis of preparation (cont'd)

2.3 Use of estimates and judgements (cont'd)

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

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

- Note 10 – Valuation of financial assets measured at fair value
- Note 13 – Measurement of loss allowance for trade receivables

2.4 Changes in accounting policies

New standards and amendments

The accounting policies adopted and methods of computation are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except in the current financial period, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

3 Seasonal operations

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

4 Finance income and finance costs

	Group		Group	
	2H2021	2H2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Interest income under the effective interest method on:				
- Cash and cash equivalents	160	167	276	377
- Debt securities measured at fair value through profit or loss ("FVTPL")	134	97	286	123
Total interest income arising from financial assets measured at amortised cost or FVTPL	294	264	562	500
Dividend income	5,332	45	6,464	253
Other investment income	1,300	47	6,841	240
Net change in fair value of financial assets:				
- Mandatorily measured at FVTPL – held-for-trading	–	249	124	–
- Mandatorily measured at FVTPL – others	9,242	14,634	15,434	16,270
Net foreign exchange gain	956	–	1,321	340
Finance income	17,124	15,239	30,746	17,603
Financial liabilities measured at amortised cost:				
- Interest expense on lease liabilities	(206)	(150)	(351)	(271)
- Interest expense on loans and borrowings	(50)	–	(82)	–
Net change in fair value of financial assets mandatorily measured at FVTPL – held-for-trading	(33)	–	–	(7)
Net foreign exchange loss	–	(650)	–	–
Finance costs	(289)	(800)	(433)	(278)
Net finance income recognised in profit or loss	16,835	14,439	30,313	17,325

5 Tax (credit)/expense

	Group		Group	
	2H2021	2H2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
Current tax expense				
Current period/year	20	85	19	85
(Over)/Under provided in prior periods/years	(16)	85	(16)	85
	4	170	3	170
Deferred tax (credit)/expense				
Origination and reversal of temporary differences	(299)	37	(123)	170
Under/(Over) provided in prior periods/years	18	(22)	18	(22)
	(281)	15	(105)	148
Tax (credit)/expense	(277)	185	(102)	318

6 Earnings per share

	Group		Group	
	2H2021	2H2020	FY2021	FY2020
Profit attributable to owners of Company (\$'000)	23,506	17,880	47,887	22,021
Weighted average number of ordinary shares (basic) ('000)	118,703	118,638	118,677	118,638
Potential ordinary shares issuable under share options ('000)	–	20	16	15
Weighted average number of ordinary shares (diluted) ('000)	118,703	118,658	118,693	118,653
Basic earnings per share (cents)	19.80	15.07	40.35	18.56
Diluted earnings per share (cents)	19.80	15.07	40.35	18.56

7 Net asset value

	Group		Company	
	As at 31 Dec 2021 \$	As at 31 Dec 2020 \$	As at 31 Dec 2021 \$	As at 31 Dec 2020 \$
Net asset value per ordinary share at end of the financial year	2.55	2.17	1.77	1.69
Total number of issued shares* at the end of the financial year ('000)	118,703	118,638	118,703	118,638

*There were no treasury shares as at 31 December 2021 (31 December 2020: 64,200)

8 Property, plant and equipment

During the financial year ended 31 December 2021, the Group acquired assets with an aggregate cost of \$1,858,000 (31 December 2020: \$1,574,000) and disposed of assets amounting \$346,000 (31 December 2020: \$418,000).

9 Associates and joint ventures

During the current financial year, the Group's investments in associates and joint ventures increased by \$19,437,000 (31 December 2020: increased by \$10,933,000) mainly due to share of profits and forex gain.

10 Other investments

	Group		Company	
	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000
Non-current				
Mandatorily at FVTPL:				
- Equity securities	9,331	7,923	—	—
- Venture capital funds	46,451	28,858	—	—
Designated at FVOCI:				
- Equity securities	12,552	16,925	12,143	16,525
	<u>68,334</u>	<u>53,706</u>	<u>12,143</u>	<u>16,525</u>
Current				
Mandatorily at FVTPL:				
- Equity securities	2,734	1,778	—	—
- Debt securities	4,671	7,728	3,549	6,595
- Investment funds	1,116	703	—	—
- Structured deposits	—	810	—	—
	<u>8,521</u>	<u>11,019</u>	<u>3,549</u>	<u>6,595</u>
	<u>76,855</u>	<u>64,725</u>	<u>15,692</u>	<u>23,120</u>

Measurement of fair values

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

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

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

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

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

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

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There were no transfers of financial assets between Level 1 and Level 2 of the fair value hierarchy during the financial year ended 31 December 2021 and 31 December 2020.

10 Other investments (cont'd)

Measurement of fair values (cont'd)

Group	Fair value			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2021				
Financial assets at fair value through profit or loss				
- Equity securities	3,528	—	8,529	12,057
- Venture capital funds	—	—	46,451	46,451
- Debt securities	—	4,671	—	4,671
- Investment funds	—	1,124	—	1,124
Financial assets at fair value through other comprehensive income				
- Equity securities	—	—	12,552	12,552
	<u>3,528</u>	<u>5,795</u>	<u>67,532</u>	<u>76,855</u>

31 December 2020				
Financial assets at fair value through profit or loss				
- Equity securities	1,887	—	7,814	9,701
- Venture capital funds	—	—	28,858	28,858
- Debt securities	—	7,728	—	7,728
- Investment funds	—	703	—	703
- Structured deposits	—	810	—	810
Financial assets at fair value through other comprehensive income				
- Equity securities	—	—	16,925	16,925
	<u>1,887</u>	<u>9,241</u>	<u>53,597</u>	<u>64,725</u>

Company				
31 December 2021				
Financial assets at fair value through profit or loss				
- Debt securities	—	3,549	—	3,549
Financial assets at fair value through other comprehensive income				
- Equity securities	—	—	12,143	12,143
	<u>—</u>	<u>3,549</u>	<u>12,143</u>	<u>15,692</u>

31 December 2020				
Financial assets at fair value through profit or loss				
- Debt securities	—	6,595	—	6,595
Financial assets at fair value through other comprehensive income				
- Equity securities	—	—	16,525	16,525
	<u>—</u>	<u>6,595</u>	<u>16,525</u>	<u>23,120</u>

10 Other investments (cont'd)

Level 3 reconciliation

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

	FVTPL – Venture capital funds \$'000	FVTPL – Equity securities \$'000	FVOCI – Equity securities \$'000
Group			
At 1 January 2021	28,858	7,814	16,925
Total unrealised gains recognised in profit or loss:			
- Finance income	14,562	568	–
Total unrealised loss recognised in other comprehensive income:			
- Net change in fair value of equity investments at FVOCI	–	–	(4,382)
Purchases	6,258	–	–
Settlements	(3,880)	–	–
Exchange movement	653	147	9
At 31 December 2021	46,451	8,529	12,552

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

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

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

10 Other investments (cont'd)

Level 3 reconciliation (cont'd)

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Net asset value ("NAV")	Value of the underlying net assets	The estimated fair value would increase/decrease if NAV was higher/lower
A discount is applied to take into consideration the non-marketable nature of the investment, where applicable.	Discount rate: 2021: 30% - 40% 2020: 30% - 45%	The estimated fair value would increase/decrease if the discount rate was lower/higher

11 Right-of-use assets

During the financial year ended 31 December 2021, the Group had additions rights-of-use assets with an aggregate cost of \$13,815,000 (31 December 2020: \$1,944,000), offset by depreciation of \$1,128,000 (31 December 2020: \$1,256,000).

12 Inventories

	Group		Company	
	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000
At cost				
Raw materials	1,182	1,756	—	—
Consumables	475	602	—	—
Work-in-progress	1,225	1,025	—	—
Finished goods	6,142	6,783	4,127	4,573
	9,024	10,166	4,127	4,573

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

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

13 Trade and other receivables

	Group		Company	
	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000
Trade receivables	28,712	34,149	14,948	12,135
Non-trade amounts due from subsidiaries	—	—	14,210	9,854
Non-trade amounts due from joint ventures	1,087	1,358	115	42
Deposits	479	497	46	63
Other receivables	1,168	801	692	504
Grant receivable	—	114	—	60
Dividends receivable from associates and joint ventures	2,937	4,308	—	—
Prepayments	388	2,038	125	1,542
	34,771	43,265	30,136	24,200

14 Share capital

	Ordinary shares			
	As at 31 Dec 2021		As at 31 Dec 2020	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and paid up:				
As beginning and end of financial year	118,703	85,270	118,703	85,270

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

15 Loans and borrowings and lease liabilities

	Group		Company	
	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000
Non-current				
Secured	3,907	109	3,889	61
Unsecured	17,182	5,083	3,740	3,519
	21,089	5,192	7,629	3,580
Current				
Secured	1,250	482	1,111	19
Unsecured	2,328	2,066	8,068	11,181
	3,578	2,548	9,179	11,200
	24,667	7,740	16,808	14,780

Included in the amounts is a bank loan that bears 2% interest per annum on monthly rests.

16 Trade and other payables

	Group		Company	
	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000	As at 31 Dec 2021 \$'000	As at 31 Dec 2020 \$'000
Trade payables	12,919	10,665	6,615	3,345
Non-trade amount due to a joint venture	—	969	—	—
Accrued expenses	9,759	7,830	8,130	6,089
Deferred grant income	—	114	—	60
Other payables	1,701	1,419	993	482
Forward exchange contracts	—	169	—	169
	24,379	21,166	15,738	10,145

17 Dividends

	Group and Company	
	FY 2021 \$'000	FY 2020 \$'000
Paid by the Company to owners of the Company		
Final 2.5 cents (2020: 2.5 cents) per ordinary share	2,967	2,966
Special 0.5 cents (2020: nil) per ordinary share	594	—
	3,561	2,966

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

	Group and Company	
	FY 2021 \$'000	FY2020 \$'000
Final (one-tier) dividends of 2.5 cents (2020: 2.5 cents) per qualifying ordinary share	2,967	2,967
Special (one-tier) dividends of 4.0 cents (2020: 0.5 cents) per qualifying ordinary share	4,748	594
	7,715	3,561

18 Interested person transactions

The aggregate value of transactions entered into by the Group with interested person and their affiliates, as defined in the SGX Listing Manual, are as follow:

<u>Interested person</u>	<u>Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual</u>	<u>Aggregate value of all other transactions</u>
Afro Asia Shipping Co. (Pte) Ltd		
Sales of ready-mix concrete	—	\$16,784

19 Operating segments

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

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

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

19 Operating segments (cont'd)

Information about reportable segments

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Total \$'000
Revenue and expenses					
2H2021					
External revenues, representing consolidated revenue	58,604	6,644	–	2,001	67,249
Reportable segment profit/(loss)	3,149	(1,416)	16,309	397	18,439
Share of profit/(loss) of associates and joint ventures	7,039	194	(189)	–	7,044
	10,188	(1,222)	16,120	397	25,483
Headquarter expenses					(1,298)
Support expenses of associates and joint ventures					(748)
Interest expense					(256)
Interest income					294
Profit before tax					23,475
Add: Tax credit					277
Profit for the year					23,752
Timing of revenue recognition:					
- Products transferred at a point in time	58,604	6,644	–	2,001	67,249
2H2020					
External revenues, representing consolidated revenue	43,356	6,652	–	1,637	51,645
Reportable segment profit/(loss)	2,317	963	12,048	(1,801)	13,527
Share of profit/(loss) of associates and joint ventures	5,208	(982)	4,354	–	8,580
	7,525	(19)	16,402	(1,801)	22,107
Headquarter expenses					(3,363)
Support expenses of associates and joint ventures					(694)
Interest expense					(150)
Interest income					264
Profit before tax					18,164
Less: Tax expense					(185)
Profit for the year					17,979
Timing of revenue recognition:					
- Products transferred at a point in time	43,356	6,652	–	1,637	51,645

19 Operating segments (cont'd)

Information about reportable segments (Cont'd)

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Total \$'000
Revenue and expenses					
31 December 2021					
External revenues, representing consolidated revenue	111,532	14,418	–	3,692	129,642
Reportable segment profit/(loss)	6,749	(574)	28,551	610	35,336
Share of profit of associates and joint ventures	10,900	124	8,257	–	19,281
	17,649	(450)	36,808	610	54,617
Headquarter expenses					(5,272)
Support expenses of associates and joint ventures					(1,354)
Interest expense					(433)
Interest income					562
Profit before tax					48,120
Add: Tax credit					102
Profit for the year					48,222
Timing of revenue recognition:					
- Products transferred at a point in time	111,532	14,418	–	3,692	129,642
31 December 2020					
External revenues, representing consolidated revenue	81,493	13,104	–	2,337	96,934
Reportable segment profit/(loss)	3,933	1,240	14,862	(2,324)	17,711
Share of profit/(loss) of associates and joint ventures	8,027	(982)	4,354	–	11,399
	11,960	258	19,216	(2,324)	29,110
Headquarter expenses					(5,680)
Support expenses of associates and joint ventures					(1,354)
Interest expense					(271)
Interest income					500
Profit before tax					22,305
Less: Tax expense					(318)
Profit for the year					21,987
Timing of revenue recognition:					
- Products transferred at a point in time	81,493	13,104	–	2,337	96,934

19 Operating segments (cont'd)

Information about reportable segments (Cont'd)

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Others \$'000	Total \$'000
Assets and liabilities						
31 December 2021						
Total assets for reportable segments	79,058	13,144	84,964	1,233	—	178,399
Investments in associates and joint ventures						134,903
Other unallocated amounts						41,308
Consolidated total assets						<u>354,610</u>
Total liabilities for reportable segments	38,825	2,212	361	1,816	—	43,214
Other unallocated amounts						7,311
Consolidated total liabilities						<u>50,525</u>
31 December 2020						
Total assets for reportable segments	53,802	17,647	76,054	1,082	—	148,585
Investments in associates and joint ventures						115,466
Other unallocated amounts						24,184
Consolidated total assets						<u>288,235</u>
Total liabilities for reportable segments	20,514	5,034	57	2,185	4	27,794
Other unallocated amounts						2,029
Consolidated total liabilities						<u>29,823</u>

19 Operating segments (cont'd)

Information about reportable segments (Cont'd)

	Cement and building materials \$'000	Specialty polymer \$'000	Investments \$'000	Food and beverage \$'000	Total \$'000
Other segment information					
2H2021					
Capital expenditure	1,011	22	—	6	1,039
Depreciation and amortisation	1,601	96	—	3	1,700
Impairment of financial assets	1,205	2,008	—	—	3,213
2H2020					
Capital expenditure	318	8	—	1	327
Depreciation and amortisation	1,106	119	—	538	1,763
Impairment of financial assets	1,322	—	—	—	1,322
Impairment of property, plant and equipment	—	—	—	64	64
Impairment of right-of-use assets	—	—	—	1,683	1,683
Impairment of intangible assets	—	—	—	157	157
31 December 2021					
Capital expenditure	1,816	82	—	29	1,927
Depreciation and amortisation	2,746	186	—	3	2,935
Impairment of financial assets	1,640	2,008	—	—	3,648
31 December 2020					
Capital expenditure	1,501	107	—	1	1,609
Depreciation and amortisation	2,727	206	—	594	3,527
Impairment of financial assets	1,579	—	—	—	1,579
Impairment of property, plant and equipment	—	—	—	64	64
Impairment of right-of-use assets	—	—	—	1,683	1,683
Impairment of intangible assets	—	—	—	157	157

19 Operating segments (cont'd)

Geographical segments

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

	Singapore \$'000	Malaysia \$'000	People's Republic of China \$'000	Others \$'000	Elimination \$'000	Total \$'000
2H2021						
External customers						
- Cement and building materials	53,769	4,282	—	553	—	58,604
- Specialty polymer	4,102	99	428	2,015	—	6,644
- Food and beverage	—	—	2,001	—	—	2,001
Inter-segment revenue	2,151	71	—	—	(2,222)	—
Total revenue	60,022	4,452	2,429	2,568	(2,222)	67,249
Total non-current assets for reportable segments*	20,479	2,117	153	—	—	22,749
Total assets for reportable segments	159,171	12,631	6,597	—	—	178,399
Investments in associates and joint ventures	25,847	—	102,507	6,549	—	134,903
Other unallocated amounts						41,308
Consolidated total assets						354,610
2H2020						
External customers						
- Cement and building materials	33,739	9,365	—	252	—	43,356
- Specialty polymer	4,623	172	312	1,545	—	6,652
- Food and beverage	—	—	1,637	—	—	1,637
Inter-segment revenue	2,389	3	—	—	(2,392)	—
Total revenue	40,751	9,540	1,949	1,797	(2,392)	51,645
Total non-current assets for reportable segments*	7,505	2,249	149	—	—	9,903
Total assets for reportable segments	124,727	16,754	7,104	—	—	148,585
Investments in associates and joint ventures	16,894	—	91,614	6,958	—	115,466
Other unallocated amounts						24,184
Consolidated total assets						288,235

* excludes associates and joint ventures, and other investments

19 Operating segments (cont'd)

Geographical segments (Cont'd)

	Singapore \$'000	Malaysia \$'000	People's Republic of China \$'000	Others \$'000	Elimination \$'000	Total \$'000
31 December 2021						
External customers						
- Cement and building materials	101,001	9,805	1	725	—	111,532
- Specialty polymer	9,553	331	570	3,964	—	14,418
- Food and beverage	—	—	3,692	—	—	3,692
Inter-segment revenue	5,248	124	—	—	(5,372)	—
Total revenue	115,802	10,260	4,263	4,689	(5,372)	129,642
Total non-current assets for reportable segments*	20,479	2,117	153	—	—	22,749
Total assets for reportable segments	159,171	12,631	6,597	—	—	178,399
Investments in associates and joint ventures	25,847	—	102,507	6,549	—	134,903
Other unallocated amounts						41,308
Consolidated total assets						354,610
31 December 2020						
External customers						
- Cement and building materials	62,354	16,237	—	2,902	—	81,493
- Specialty polymer	8,205	403	1,203	3,293	—	13,104
- Food and beverage	—	—	2,337	—	—	2,337
Inter-segment revenue	4,543	5	—	—	(4,548)	—
Total revenue	75,102	16,645	3,540	6,195	(4,548)	96,934
Total non-current assets for reportable segments*	7,505	2,249	149	—	—	9,903
Total assets for reportable segments	124,727	16,754	7,104	—	—	148,585
Investments in associates and joint ventures	16,894	—	91,614	6,958	—	115,466
Other unallocated amounts						24,184
Consolidated total assets						288,235

* excludes associates and joint ventures, and other investments

20 Commitments

As at year end, the Group has commitments amounting to \$15,351,000 (2020: \$8,446,000) in respect of additional investments in VCFs and \$6,569,000 (2020: \$1,145,000) in respect of purchases of plant and equipment.

21 Acquisition of subsidiary

On 12 November 2021, Top Mix Concrete (Malaysia) Sdn Bhd (“TMM”), a 100%-owned subsidiary of the Company, acquired 100% of the issued share capital of TopWest Concrete Sdn Bhd (“TopWest”), in Malaysia, at a total cash consideration of MYR 2.00 (equivalent to approximately S\$0.65).

22 Subsequent events

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

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1 Review

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

2 Review of Group performance

2.1 Consolidated Statement of Profit or Loss

2H 2021 vs 2H 2020

The Group's revenue increased 30.2% year-on-year (YoY) to \$67.2 million, from \$51.6 million in 2H 2020, mainly due to recovery of construction activities.

The Group recorded a profit after tax of \$23.8 million in 2H 2021, a YoY increase of 32.1%, as our key operating segments achieved better results and most of our joint ventures (JVs) in China recorded stronger performance due to recovery of infrastructure projects investment.

The Group's earnings were also boosted by gains in venture capital (VC) investments and dividends from our property development investments.

FY2021 vs FY2020

The Group registered an overall revenue of \$129.6 million in FY2021, an increase of 33.7% YoY.

The Group's profit after tax surged to \$48.2 million in FY2021 compared to \$22.0 million in FY2020, due to better results across our key operating segments, and boosted by realised and unrealised gains in our VC investments, as well as profits from the balance of phase 2 of our associate property development project in Tangshan China and dividends from Turquoise project in Sentosa.

2.2 Analysis of Statements of financial position

Investment in associates and joint ventures increased by \$19.4 million attributable to share of profits of \$19.3 million for FY2021 and foreign exchange gain of \$4.6 million due to strengthening of RMB against SGD, offset by dividend recognised of \$4.5 million.

Net increase of \$12.1 million in other investments was a result of fair value gain of \$11.4 million and additional investments of \$9.3 million, offset by cash distributions of \$4.8 million received from venture capital funds, as well as disposal of investments of \$3.8 million.

Right-of-use assets increased by \$12.6 million mainly due to recognition of additional right-of-use assets in relation to a lease for a new batching plant offset by depreciation charge for FY2021.

2 Review of Group performance (cont'd)

2.2 Analysis of Statements of financial position (cont'd)

Inventories decreased by \$1.1 million due to clearing of old stocks.

Trade and other receivables decreased by \$8.3 million due to allowance for doubtful debts \$3.6 million and timing of payments from customers.

Cash and cash equivalents increased by \$31.4 million attributed to positive operating cash flows and dividends received from associates and joint ventures and other investments, as well as proceeds from disposal of other investments offset by purchase of other investments. The details are elaborated in Consolidated Statement of cash flows.

Lease liabilities increased by \$11.9 million due to new lease liabilities recognised of \$13.9 million, offset by repayment of lease liabilities of \$2.0 million.

Net increase of \$5.1 million in loans and borrowings was largely to support capital expenditure of new batching plant.

Trade and other payables increased by \$3.2 million mainly due to timing of payment to suppliers.

2.3 Analysis Statements of cash flows

Net cash from operating activities in FY2021 was \$15.2 million, arising largely from better performance of the Group's businesses.

Net cash inflow of \$17.0 million from investing activities arising from dividends received from other investments and associates and joint ventures of \$6.5 million and \$6.0 million respectively, cash distribution from other investments of \$4.8 million, and proceeds from disposal of other investments of \$11.3 million. These were partially offset by cash used for acquisition of property, plant and equipment of \$1.9 million as well as other investments of \$9.3 million and investment in joint venture of \$1.0 million.

Net cash used in financing activities of \$1.0 million, arising from dividend payment \$3.6 million and payment of lease liabilities of \$2.0 million, partially offset by drawdown of bank loan \$5.0 million.

The cash and cash equivalents as at end of FY2021 was \$75.9 million, an increase of \$31.4 million compared to FY2020.

3 Changes in share capital

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

	<u>Number of Shares</u>
Issued share capital of the Company (excluding treasury shares) as at 31 December 2020	<u>118,638,300</u>
Issued share capital of the Company (excluding treasury shares) as at 31 December 2021	<u>118,702,500</u>

There were no treasury shares held by the Company as at 31 December 2021 (As at 31 December 2020: 64,200 treasury shares). Treasury shares have been excluded in the number of issued ordinary shares stated above.

Employee share options have been fully exercised as at 31 December 2021 (31 December 2020: options to subscribe to 120,000 ordinary shares were unexercised).

3.2 Total number of issued shares excluding treasury shares

	<u>As at 31 Dec 2021</u>	<u>As at 31 Dec 2020</u>
Total number of issued shares excluding treasury shares	<u>118,702,500</u>	<u>118,638,300</u>

3.3 Treasury shares

	<u>Number of shares for the year ended 31 Dec 2021</u>	<u>31 Dec 2020</u>
Group and Company		
As at beginning of the year	64,200	64,200
Purchase of treasury shares	55,800	–
Treasury shares transferred on exercise of share options	(120,000)	–
As at end of the year	<u>–</u>	<u>64,200</u>

4 Prospect statement

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

Actual results for 2H 2021 were better than expected due to gains from VC and property investments.

5 Outlook

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

In FY2021, the Group registered a record profit of \$48.2 million, boosted by exceptional gains from VC investments as well as property development projects.

The investment gains from VC were attributable to the favorable IPO market in the US Internet sector in 2021 and the gains from property development came from Tangshan Nanhu project in China and Turquoise in Sentosa. The contribution from Tangshan Nanhu is expected to decline as the project enters its last phase.

In view of the stellar performance of the Group for FY2021, the Board of Directors has declared a final tax-exempt dividend of 2.50 cents per share and a special dividend of 4.00 cents per share in respect of FY2021, totalling 6.50 cents per share, subject to shareholders' approval at the next Annual General Meeting.

The construction sector in Singapore is expected to recover though unevenly in 2022 through the pipeline of private and public housing projects, and infrastructure works.

The prolonged disruptions caused by Covid-19 will continue to exert cost pressures on raw materials supply chain, logistics, energy and labour. The higher costs would pose margin squeeze and could potentially affect the performance of the key operating segments in 2022.

The World Bank expects China to grow at 5.1% in 2022 - a growth rate sustainable by rebalancing its economy. Our JVs in China should be able to enjoy the benefits of a more stable economy and continue to contribute to the Group's performance.

6 Dividends

(a) Current financial period reported on

Yes

Name of Dividend	First and Final	Special
Dividend Type	Cash	Cash
Dividend Amount	2.50 cents per ordinary share	4.00 cents per ordinary share
Tax Rate	Tax exempt (1-tier)	Tax exempt (1-tier)

(b) Corresponding period of the immediate preceding financial year

Yes

Name of Dividend	First and Final	Special
Dividend Type	Cash	Cash
Dividend Amount	2.50 cents per ordinary share	0.50 cents per ordinary share
Tax Rate	Tax exempt (1-tier)	Tax exempt (1-tier)

(c) Date payable

To be announced at a later date.

6 Dividends (cont'd)

(d) **Books closure date**

To be announced at a later date.

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

Not applicable.

7 Interested person transactions

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

8 Undertaking pursuant to Rule 720 (1)

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

9 A breakdown of sales

	Group		
	FY2021	FY2020	%
	\$'000	\$'000	Change
Sales reported for first half year	62,393	45,289	37.8
Operating profit after tax before deducting non-controlling interests reported for first half year	24,470	4,008	n.m.
Sales reported for second half year	67,249	51,645	30.2
Operating profit after tax before deducting non-controlling interests reported for second half year	23,752	17,979	32.1

n.m. – not meaningful

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

Name	Age	Family relationship with any Director and/or CEO and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Mr Tan Cheng Gay	75	Brother of: (a) Mr Tan Yok Koon, an Executive Director of the Company (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: Chairman/CEO Appointed as Chairman since 2002 Appointed as CEO since 1979 Duties: To manage the Company's overall business activities	No Change
Mr Tan Yok Koon	73	Brother of: (a) Mr Tan Cheng Gay, Chairman/CEO of the Company (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: President, China Operations since 1 March 2005 Duties: To manage the business activities in China	No Change
Mr Tan Tatt Yao	37	Son of: (a) Mr Tan Cheng Gay, Chairman/CEO of the Company Nephew of: (a) Mr Tan Yok Koon, an Executive Director of the Company (b) Mr Tan Chin Hoon, a Substantial Shareholder of the Company (see Note 1 below)	Position: Business Development Manager (China) effective 26 February 2018 Duties: To support the President of China Operations to manage the business activities. To seek and evaluate investment opportunities in China.	No Change

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

Note:

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

BY ORDER OF THE BOARD

Tan Cheng Gay
Chairman and CEO
01 March 2022