



# 1st Quarter 2022 Business Update

**11 May 2022**

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# OPERATIONAL UPDATE FOR 1ST QUARTER 2022

# Operational Update for 1st Quarter 2022

## Business Climate

- Singapore adopted a “living-with-COVID” approach, removed most restrictions starting from 26 April 2022. As a result, the economy is expected to recover progressively; consequently business in the next quarter should grow in tandem.

## Vehicle Inspection Business

- The vehicles inspection business has largely been stable, except that there was lower demand for new car registrations / emission testing services as a result of the worldwide shortage of microchips affecting vehicle productions.

## Non-Vehicle Testing Business

- Overall business continued to improve in 1Q 2022 and is expected to mirror the trajectory of the Singapore economy.
- However, there are considerable inflationary cost pressures as a result of supply chain disruptions and shortages of labour.

# FINANCIAL UPDATE FOR 1ST QUARTER 2022

# Income Statement – 1st Quarter 2022

	1Q 2022	1Q 2021	Fav/(Adv)	
	\$'000	\$'000	\$'000	%
Revenue	26,034	24,074	1,960	8.1
Operating Costs	(17,964)	(16,438)	(1,526)	(9.3)
Operating Profit	8,070	7,636	434	5.7
Profit After Tax	6,442	6,273	169	2.7
Profit after Tax and Minority Interest (PATMI)	6,343	6,158	185	3.0
EBITDA	9,847	9,376	471	5.0
Operating Profit before COVID-19 Government Reliefs	7,974	7,050	924	13.1
COVID-19 Government Reliefs	96	586	(490)	(83.6)
Operating Profit after COVID-19 Government Reliefs	8,070	7,636	434	5.7

# Income Statement – 1st Quarter 2022

## 1Q 2022 versus 1Q 2021

- Revenue ↑ \$1.9m – Mainly from the higher business volume in the non-vehicle testing business as it rides on the recovery phase of the Singapore economy.
- Operating Costs ↑ \$1.5m – Higher operating costs of \$1.0m in tandem with higher business volume and lower COVID-19 Government reliefs of \$0.5m.
- Operating Profit ↑ \$0.4m – This is due to the higher revenue which more than offset the higher operating costs.
- PATMI ↑ \$0.2m – Contributed by higher operating profit but offset by higher tax expense.

# Balance Sheet

	Mar 22	Dec 21	Fav/(Adv)	
	\$'000	\$'000	\$'000	%
Cash & Cash Equivalents	78,864	75,360	3,504	4.6
Other Current Assets	14,491	12,326	2,165	17.6
Non-Current Assets	110,976	112,079	(1,103)	(1.0)
<b>Total Assets</b>	<b>204,331</b>	<b>199,765</b>	<b>4,566</b>	<b>2.3</b>
Current Liabilities	37,762	39,130	(1,368)	(3.5)
Non-Current Liabilities	32,183	32,421	(238)	(0.7)
<b>Total Liabilities</b>	<b>69,945</b>	<b>71,551</b>	<b>(1,606)</b>	<b>(2.2)</b>
<b>Total Equity</b>	<b>134,386</b>	<b>128,214</b>	<b>6,172</b>	<b>4.8</b>

- Balance sheet remains strong with healthy cash & cash equivalents of \$78.9m.
- Other Current Assets increased by \$2.2m mainly from higher trade receivables.
- Non-Current Assets decreased by \$1.1m mainly from depreciation of vehicles, premises and equipment.
- Total liabilities were lower by \$1.6m mainly due to lower trade creditors and accrued expenses.

# Cashflow

	1Q 2022
	\$'000
<b>Cash from Operating Activities</b>	<b>4,632</b>
<u>Utilisation of Cash:</u>	
CAPEX	(732)
Dividends to non-controlling interests	(240)
Payments under lease liability	(267)
<b>Total Utilisation of Cash</b>	<b>(1,239)</b>
Proceeds from disposal of vehicles, premises and equipment	69
Interest Received	50
Others	(8)
<b>Net Cash Generated</b>	<b>3,504</b>

## Financial Performance

- Group PATMI at \$6.3m rose by \$0.2m or 3.0% against 1Q 2021.

## Financial Position

- Strong and resilient balance sheet.
- Healthy cash balance of \$78.9m to support business growth and opportunities.

## Cash Flow

- Net cash generated of \$3.5m during 1Q 2022.

**THANK YOU**