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**勝獅貨櫃企業有限公司**  
**SINGAMAS CONTAINER HOLDINGS LIMITED**

(Incorporated in Hong Kong with limited liability)

**Stock code: 716**

Websites: <http://www.singamas.com> and <http://www.irasia.com/listco/hk/singamas>

**2022 ANNUAL RESULTS ANNOUNCEMENT**

**ANNUAL RESULTS**

The Board of Directors (the “Board”/ “Directors”) of Singamas Container Holdings Limited (the “Company”) would like to announce the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2022 as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2022*

		<b>2022</b>	2021
	<i>Notes</i>	<b>US\$'000</b>	US\$'000
<b>Revenue</b>	2	<b>775,983</b>	1,151,764
Cost of sales		<b>(629,324)</b>	(826,061)
<b>Gross profit</b>		<b>146,659</b>	325,703
Other income	4	<b>12,681</b>	10,484
Distribution expenses		<b>(18,361)</b>	(24,841)
Administrative expenses		<b>(34,215)</b>	(59,390)
Finance costs		<b>(366)</b>	(1,083)
Other gains and losses	5	<b>(17,687)</b>	2,240
Gain from derecognition of financial assets measured at amortised cost		-	27,001
Impairment loss on property, plant and equipment		-	(2,000)
Share of results of associates		<b>1,349</b>	761
Share of results of joint ventures		<b>(135)</b>	196
<b>Profit before taxation</b>	6	<b>89,925</b>	279,071
Income tax expense	7	<b>(33,360)</b>	(70,606)
<b>Profit for the year</b>		<b>56,565</b>	208,465
<b>Profit for the year attributable to:</b>			
Owners of the Company		<b>46,340</b>	186,802
Non-controlling interests		<b>10,225</b>	21,663
		<b>56,565</b>	208,465

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)**

*For the year ended 31 December 2022*

	<i>Note</i>	<b>2022</b> <b>US\$'000</b>	2021 US\$'000
<b>Other comprehensive income (expense)</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value gain (loss) on equity instrument at fair value through other comprehensive income ("FVTOCI"), net of tax effect		<b>2,677</b>	(687)
Surplus on revaluation of property, plant and equipment upon transfer to investment properties		-	6,627
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation		<b>(4,190)</b>	1,029
Release of exchange translation reserve and other reserve upon disposal of an associate		-	6,778
Release of exchange translation reserve upon deregistration of a joint venture		-	(15)
<b>Other comprehensive (expense) income for the year</b>		<b>(1,513)</b>	13,732
<b>Total comprehensive income for the year</b>		<b>55,052</b>	222,197
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		<b>45,365</b>	200,446
Non-controlling interests		<b>9,687</b>	21,751
		<b>55,052</b>	222,197
<b>Basic earnings per share</b>	9	<b>US1.92 cents</b>	US7.73 cents

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	<i>Notes</i>	<b>2022</b> <b>US\$'000</b>	2021 US\$'000
<b>Non-current assets</b>			
Property, plant and equipment	<i>10</i>	<b>86,991</b>	76,399
Right-of-use assets		<b>39,130</b>	40,174
Investment properties		<b>35,330</b>	37,913
Interests in associates		<b>15,768</b>	18,114
Interests in joint ventures		<b>6,302</b>	7,031
Equity instrument at FVTOCI		<b>28,367</b>	25,392
Financial asset at fair value through profit and loss ("FVTPL")		<b>3,044</b>	3,246
Other receivables	<i>13</i>	<b>4,842</b>	15,485
Trade receivables	<i>12</i>	<b>10,798</b>	-
Deposits for non-current assets		<b>94</b>	806
		<hr/> <b>230,666</b>	224,560
<b>Current assets</b>			
Inventories	<i>11</i>	<b>105,662</b>	209,814
Trade receivables	<i>12</i>	<b>80,136</b>	79,082
Prepayments and other receivables	<i>13</i>	<b>24,324</b>	41,820
Amounts due from associates		<b>424</b>	-
Amounts due from joint ventures		<b>995</b>	-
Derivative financial instruments		<b>-</b>	202
Tax recoverable		<b>276</b>	353
Cash and deposits with banks		<b>369,770</b>	438,171
		<hr/> <b>581,587</b>	769,442

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)***As at 31 December 2022*

	<i>Notes</i>	<b>2022</b> <b>US\$'000</b>	2021 US\$'000
<b>Current liabilities</b>			
Trade payables	14	40,230	106,211
Lease liabilities		2,664	2,389
Accruals and other payables		50,367	64,361
Advances from customers		37,704	46,171
Amount due to immediate holding company		62	6
Amounts due to associates		473	123
Amounts due to joint ventures		7	5
Derivative financial instruments		461	-
Tax payable		3,161	23,249
		<b>135,129</b>	<b>242,515</b>
<b>Net current assets</b>		<b>446,458</b>	<b>526,927</b>
<b>Total assets less current liabilities</b>		<b>677,124</b>	<b>751,487</b>
<b>Capital and reserves</b>			
Share capital	15	268,149	268,149
Accumulated profits		248,584	340,913
Other reserves		79,093	67,210
Equity attributable to owners of the Company		595,826	676,272
Non-controlling interests		63,051	56,973
<b>Total equity</b>		<b>658,877</b>	<b>733,245</b>
<b>Non-current liabilities</b>			
Lease liabilities		3,473	2,740
Deferred tax liabilities		14,774	15,502
		<b>18,247</b>	<b>18,242</b>
		<b>677,124</b>	<b>751,487</b>

Notes:

**1. Basis of preparation and accounting policies**

*The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.*

*The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments, equity instrument at FVTOCI, financial asset at FVTPL and investment properties, that are measured at fair values at the end of each reporting period.*

*The expenses presentation of the Group for the year ended 31 December 2022 in the consolidated statement of profit or loss and other comprehensive income has been reclassified from the analysis by nature to the analysis by function. The management of the Group considered that the current presentation is more appropriate for analysing the financial performance of the Group.*

*In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2022 for the preparation of the consolidated financial statements:*

<i>Amendments to HKFRS 3</i>	<i>Reference to the Conceptual Framework</i>
<i>Amendment to HKFRS 16</i>	<i>Covid-19-Related Rent Concessions beyond 30 June 2021</i>
<i>Amendments to HKAS 16</i>	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
<i>Amendments to HKAS 37</i>	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
<i>Amendments to HKFRSs</i>	<i>Annual Improvements to HKFRSs 2018-2020</i>

*The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.*

## 2. Revenue

Revenue represents sales of goods from manufacturing and services income from logistics services operations, less sales related taxes, and is analysed as follows:

	2022 US\$'000	2021 US\$'000
Manufacturing	748,375	1,117,195
Logistics services	27,608	34,569
	<u>775,983</u>	<u>1,151,764</u>
<b>Disaggregation of revenue from contracts with customers</b>		
	2022 US\$'000	2021 US\$'000
<b>Types of goods or services</b>		
<i>Manufacturing (recognised at a point in time):</i>		
Dry freight containers	610,091	1,011,532
Tank containers	59,639	37,504
Other specialised containers and container parts	78,645	68,159
	<u>748,375</u>	<u>1,117,195</u>
<i>Logistics services (recognised over time):</i>		
Container storage and handling services	4,084	3,835
Repair and drayage services	5,269	4,752
Container freight station services	15,214	10,678
Other container related services	3,041	15,304
	<u>27,608</u>	<u>34,569</u>
	<u>775,983</u>	<u>1,151,764</u>

### 3. Segment information

Information reported to the Group's chief operating decision maker (i.e. Chief Executive Officer) for the purpose of resource allocation and assessment of segment performance are organised into two operating divisions – manufacturing and logistics services. These divisions are the basis on which the Group reports its segment information under HKFRS 8 Operating Segments.

Principal activities are as follows:

Manufacturing	- manufacturing of dry freight containers, tank containers, other specialised containers (including but not limited to collapsible flatrack containers and offshore containers) and container parts.
Logistics services	- provision of container storage, repair and trucking services, serving as a freight station, container / cargo handling and other container related services

Information regarding these segments is presented below:

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

#### Year ended 31 December 2022

	Manufacturing US\$'000	Logistics services US\$'000	Total US\$'000
<b>REVENUE</b>			
External sales	748,375	27,608	775,983
<b>SEGMENT RESULTS</b>	84,125	2,288	86,413
Finance costs			(366)
Investment income			8,276
Fair value loss on derivative financial instruments			(5,686)
Fair value gain on financial asset of FVTPL			74
Share of results of associates			1,349
Share of results of joint ventures			(135)
Profit before taxation			89,925

*Year ended 31 December 2021*

	<i>Manufacturing US\$'000</i>	<i>Logistics services US\$'000</i>	<i>Total US\$'000</i>
<b>REVENUE</b>			
<i>External sales</i>	1,117,195	34,569	1,151,764
<b>SEGMENT RESULTS</b>	243,564	2,162	245,726
<i>Finance costs</i>			(1,083)
<i>Investment income</i>			5,738
<i>Fair value gain on derivative financial instruments</i>			583
<i>Fair value gain on financial asset of FVTPL</i>			149
<i>Gain from derecognition of financial assets measured at amortised cost</i>			27,001
<i>Share of results of associates</i>			761
<i>Share of results of joint ventures</i>			196
<i>Profit before taxation</i>			279,071

*Segment results represent the profit earned by each segment without allocation of finance costs, investment income, fair value (loss) gain on derivative financial instruments, fair value gain on financial asset at FVTPL, gain from derecognition of financial assets measured at amortised cost, share of results of associates and share of results of joint ventures. This is the measure reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of segment performance.*



## Geographical information

The Group's operations, including both the manufacturing division and logistics services division, are located in the People's Republic of China (the "PRC").

The following table provides an analysis of the Group's revenue by geographical market, based on the location of customers for manufacturing segment and based on the origin of the goods/services for logistics services segment:

	<u>Year ended 31 December 2022</u>			<u>Year ended 31 December 2021</u>		
	<i>Manufacturing</i>	<i>Logistics services</i>	<i>Total</i>	<i>Manufacturing</i>	<i>Logistics services</i>	<i>Total</i>
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Hong Kong	230,358	-	230,358	375,822	1,041	376,863
Singapore	144,882	-	144,882	96,562	-	96,562
Europe	106,913	-	106,913	204,515	-	204,515
Middle East	78,663	-	78,663	65,942	-	65,942
PRC	64,949	27,608	92,557	52,356	33,528	85,884
United States of America	46,936	-	46,936	190,555	-	190,555
Taiwan	29,015	-	29,015	106,885	-	106,885
Indonesia	10,272	-	10,272	169	-	169
Korea	9,196	-	9,196	12,738	-	12,738
India	6,992	-	6,992	3,840	-	3,840
Malaysia	4,269	-	4,269	74	-	74
Others	15,930	-	15,930	7,737	-	7,737
<b>Total</b>	<b>748,375</b>	<b>27,608</b>	<b>775,983</b>	<b>1,117,195</b>	<b>34,569</b>	<b>1,151,764</b>

The following is an analysis of the carrying amount of non-current assets other than financial instruments, other receivables and trade receivables, analysed by the geographical area in which the assets are located:

	<u>As at 31 December 2022</u>	<u>As at 31 December 2021</u>
	<i>US\$'000</i>	<i>US\$'000</i>
PRC	147,083	150,837
Hong Kong	35,154	27,810
Others	1,378	1,790
	<b>183,615</b>	<b>180,437</b>

## Information about major customers

In 2022, there is one customer contributes over 10% of the total sales (2021: no customer). The customer contributes over 10% of the total sales amounted to US\$106,915,000 in aggregate.

#### 4. Other income

	2022 US\$'000	2021 US\$'000
Interest earned on bank deposits	5,056	794
Interest earned on bank deposit with original maturity over 3 months	218	-
Interest income from immediate holding company	-	1,334
Interest income from a fellow subsidiary	-	357
Interest income from an associate	-	352
Imputed interest income from consideration receivable	604	1,037
Lease interest	472	-
Dividend income from equity instrument at FVTOCI	1,926	1,864
Governments grants	1,432	1,040
Rental income	1,989	1,805
Others	984	1,901
	<b>12,681</b>	<b>10,484</b>

During the year, the Group received US\$1,432,000 (2021: US\$1,040,000) from the local government authorities for the encouragement on economic contribution to the industry development with no specific conditions attached.

#### 5. Other gains and losses

	2022 US\$'000	2021 US\$'000
Exchange (loss) gain	(8,122)	2,249
Fair value (loss) gain on derivative financial instruments	(5,686)	583
Fair value gain on financial assets at FVTPL	74	149
Fair value (loss) gain on investment properties	(909)	142
Adjustment to consideration receivables	(3,360)	-
Impairment losses under expected credit loss model, net of reversal	22	136
Gain on disposal of a subsidiary	-	412
Gain on disposal of an associate	-	1,370
Gain on deregistration of a joint venture	-	769
Gain (loss) on disposal of property, plant and equipment	525	(1,398)
Loss on property, plant and equipment written off	(231)	(2,172)
	<b>(17,687)</b>	<b>2,240</b>

## 6. Profit before taxation

	2022 US\$'000	2021 US\$'000
<i>Profit before taxation has been arrived at after charging (crediting) the following :</i>		
<i>Auditors' remuneration</i>	<b>447</b>	423
<i>Research and development costs</i>		
- Included in cost of sales	<b>4,597</b>	4,061
- Included in administrative expenses	<b>1,861</b>	5,381
	<b>6,458</b>	9,442
<i>Staff costs, including directors' emoluments</i>		
- Salaries and other benefits	<b>89,019</b>	123,412
- Retirement benefit costs	<b>2,805</b>	2,288
	<b>91,824</b>	125,700
<i>Depreciation expense</i>		
- Depreciation of property, plant and equipment	<b>7,780</b>	7,655
- Depreciation of right-of-use assets	<b>3,912</b>	3,432
	<b>11,692</b>	11,087
<i>Share of taxation charge of associates</i>	<b>366</b>	412
<i>Share of taxation charge of joint ventures</i>	<b>4</b>	54
	<b>370</b>	466
<i>Gross rental income from investment properties</i>	<b>(1,871)</b>	(1,540)
<i>Less: direct operating expenses incurred for investment properties that generated rental income during the year</i>	<b>305</b>	390
	<b>(1,566)</b>	(1,150)
<i>Cost of inventories recognised as expense (including provision of inventories US\$1,633,000 (2021:US\$2,998,000))</i>	<b>629,324</b>	826,061

## 7. Income tax expense

No Hong Kong Profits Tax has been provided as there was no taxable profit during both years.

PRC Enterprise Income Tax has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the PRC in which the Group operates.

	2022 US\$'000	2021 US\$'000
Current tax:		
PRC Enterprise Income Tax		
- Current year	29,818	61,477
- Overprovision in prior year	(8)	-
	<u>29,810</u>	<u>61,477</u>
Deferred tax:		
- Current year (credit) charge	(208)	1,017
- Withholding tax on undistributed profits	3,758	8,112
	<u>3,550</u>	<u>9,129</u>
Income tax expense for the year	<u>33,360</u>	<u>70,606</u>

Pursuant to the relevant law and regulations in the PRC, PRC subsidiaries qualified as Hi-Tech Enterprise are entitled to 15% PRC enterprise income tax. The tax rate of the other PRC subsidiaries is 25%.

## 8. Dividends

Dividends recognised as distributions during the year:

	2022 US\$'000	2021 US\$'000
Interim dividend in respect of the current financial year		
- HK4 cents (2021: HK7 cents) per ordinary share	<u>12,317</u>	<u>21,766</u>
Final dividend in respect of the previous financial year		
- HK11 cents (2021:Nil) per ordinary share	<u>33,881</u>	-
Special dividend in respect of the previous financial year		
- HK25 cents (2021:Nil) per ordinary share	<u>77,396</u>	-

An interim dividend of HK4 cents per ordinary share, total of which equivalent to approximately HK\$96,677,000 (equivalent to approximately US\$12,317,000) was declared and paid during the year ended 31 December 2022.

An interim special dividend of HK20 cents per ordinary share, total of which equivalent to approximately HK\$483,384,000 (equivalent to approximately US\$61,996,000) was declared on 10 December 2021 and paid on 27 January 2022.

The final dividend of HK11 cents and a final special dividend of HK5 cents in respect of the year ended 31 December 2021 per ordinary share, total of which equivalent to approximately HK\$265,861,000 and HK\$120,846,000 respectively (equivalent to approximately US\$33,881,000 and US\$15,400,000 respectively) were approved by the shareholders in the annual general meeting held on 29 June 2022 and was distributed on 22 July 2022.

The final dividend of HK2 cents in respect of the year ended 31 December 2022 per ordinary share, total of which equivalent to approximately HK\$47,644,000 (equivalent to approximately US\$6,108,000) has been proposed by the board of directors and is subject to approval by the shareholders in forthcoming annual general meeting.

## 9. Basic earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the following data:

	2022 US\$'000	2021 US\$'000
Earnings:		
Profit for the purposes of calculating basic earnings per share	<u>46,340</u>	<u>186,802</u>
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>2,411,359,693</u>	<u>2,416,919,918</u>

No diluted earnings per share for the year ended 31 December 2022 and 2021 was presented as the Company has no potential ordinary shares in issue in both years.

## 10. Movements in property, plant and equipment

During the year, there was an addition of US\$19,388,000 (2021: US\$17,807,000) in property, plant and equipment for upgrading existing manufacturing and logistics services facilities of the Group, including transfer of leased assets from inventories amounted to US\$8,891,000 (2021: Nil).

## 11. Inventories

	2022 US\$'000	2021 US\$'000
Raw materials	45,303	119,797
Work in progress	23,210	29,637
Finished goods	<u>37,149</u>	<u>60,380</u>
	<u>105,662</u>	<u>209,814</u>

## 12. Trade receivables

	2022 US\$'000	2021 US\$'000
Trade receivables from third parties	76,697	79,054
Lease receivables from immediate holding company	195	-
Trade receivables from fellow subsidiaries	219	152
Trade receivables from associates	-	44
Less : allowance for credit losses	(146)	(168)
	<hr/> 76,965	<hr/> 79,082
Finance lease receivables from third parties	13,969	-
Net trade receivables	<hr/> 90,934	<hr/> 79,082

The aged analysis of trade and lease receivables, net of allowance for credit losses, which is prepared based on invoice date of each transaction which approximated the respective revenue recognition dates or date of rendering of services, at the end of the reporting period is as follows:

	2022 US\$'000	2021 US\$'000
0 to 30 days	46,936	45,306
31 to 60 days	11,403	17,550
61 to 90 days	7,132	8,279
91 to 120 days	6,812	1,100
Over 120 days	4,682	6,847
Classified as current portion	<hr/> 76,965	<hr/> 79,082

### Trade receivables from third parties

A defined credit policy is maintained within the Group. The credit terms are agreed with each of its trade customers depending on the creditworthiness of the customers ranging from 30 days to 120 days (2021: 30 days to 120 days).

### Lease receivables from immediate holding company

For lease receivables from immediate holding company, the lease rental shall be settled within 45 days from the invoice date.

The aged analysis of lease receivables from immediate holding company, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period is as follows:

	2022 US\$'000	2021 US\$'000
0 to 30 days	99	-
31 to 60 days	96	-
	<hr/> 195	<hr/> -

#### Trade receivables from fellow subsidiaries

The payment term with fellow subsidiaries is that the transaction amount shall be settled within 10 days (2021: 10 days) from the invoice date.

The aged analysis of trade receivables from fellow subsidiaries, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period is as follows:

	2022 US\$'000	2021 US\$'000
0 to 30 days	200	152
31 to 60 days	19	-
	<u>219</u>	<u>152</u>

#### Trade receivables from associates

The general credit terms for trade receivables from associates is 60 days (2021: 60 days).

The aged analysis of trade receivables from associates, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period is as follows:

	2022 US\$'000	2021 US\$'000
0 to 30 days	-	44

#### Finance lease receivables from third parties

	2022 US\$'000	2021 US\$'000
Analyse as:		
Current portion	3,171	-
Non-current portion	10,798	-
	<u>13,969</u>	<u>-</u>

### **13. Prepayments and other receivables**

As at 31 December 2022, prepayments and other receivables included consideration receivables in connection with disposal of subsidiaries of US\$9,848,000 (2021: US\$18,679,000), and advanced to suppliers of US\$6,833,000 (2021: US\$15,670,000) as deposits for raw materials purchases. The remaining balances mainly included refundable value added tax and other advance payments.

#### 14. Trade payables

Included in the Group's trade payables as at 31 December 2022 are bills presented by the Group to relevant creditors of US\$350,000 (2021: US\$2,598,000) which are for future settlement. All bills presented by the Group are aged within 365 days and not yet due at the end of the reporting period. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. The following is an analysis of trade payables by age based on invoice date of each transaction.

	2022 US\$'000	2021 US\$'000
0 to 30 days	20,245	63,980
31 to 60 days	10,224	29,530
61 to 90 days	4,890	7,016
91 to 120 days	2,741	2,937
Over 120 days	2,130	2,748
	<b>40,230</b>	<b>106,211</b>

The average credit period on purchases of materials is 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

#### 15. Share capital

	Number of shares		Share Capital			
	2022	2021	2022 US\$'000	2022 HK\$'000	2021 US\$'000	2021 HK\$'000
Issued and fully paid:						
At beginning of the year	2,416,919,918	2,416,919,918	268,149	2,078,513	268,149	2,078,513
Share repurchased and cancelled	(34,714,000)	-	-	-	-	-
At end of the year	<b>2,382,205,918</b>	2,416,919,918	<b>268,149</b>	<b>2,078,513</b>	268,149	2,078,513