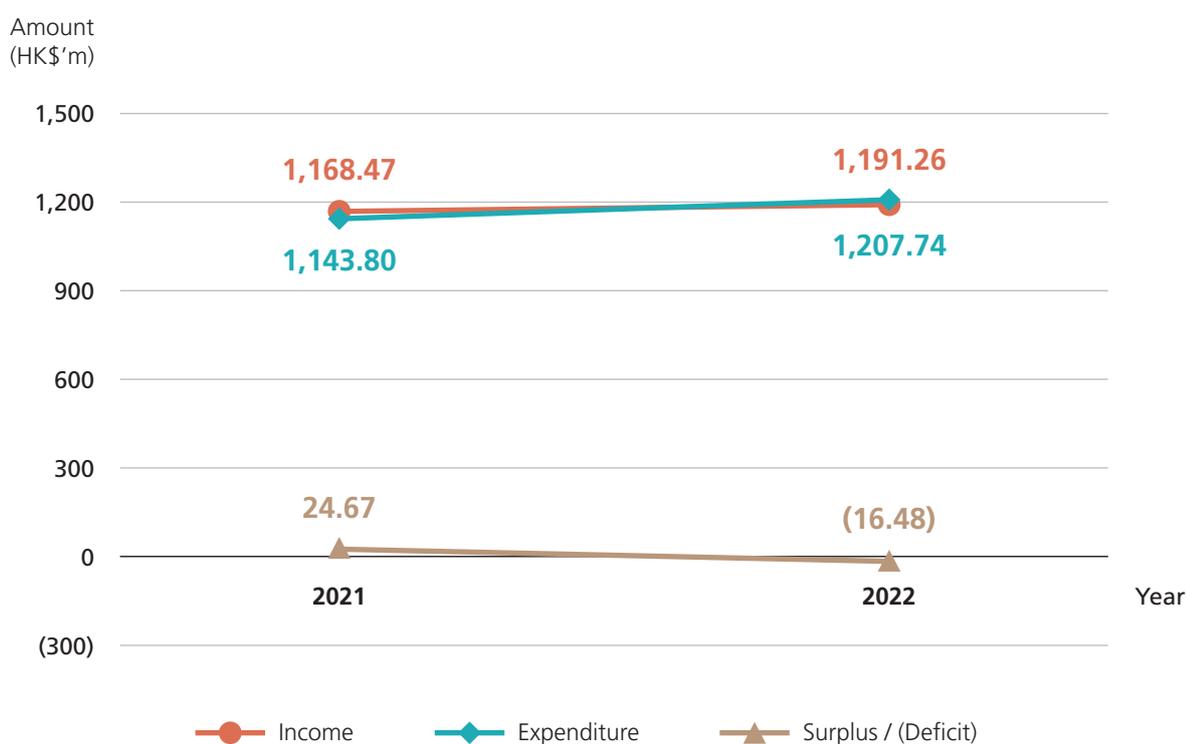


HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

Highlight of the audited financial statements of the CIC Group

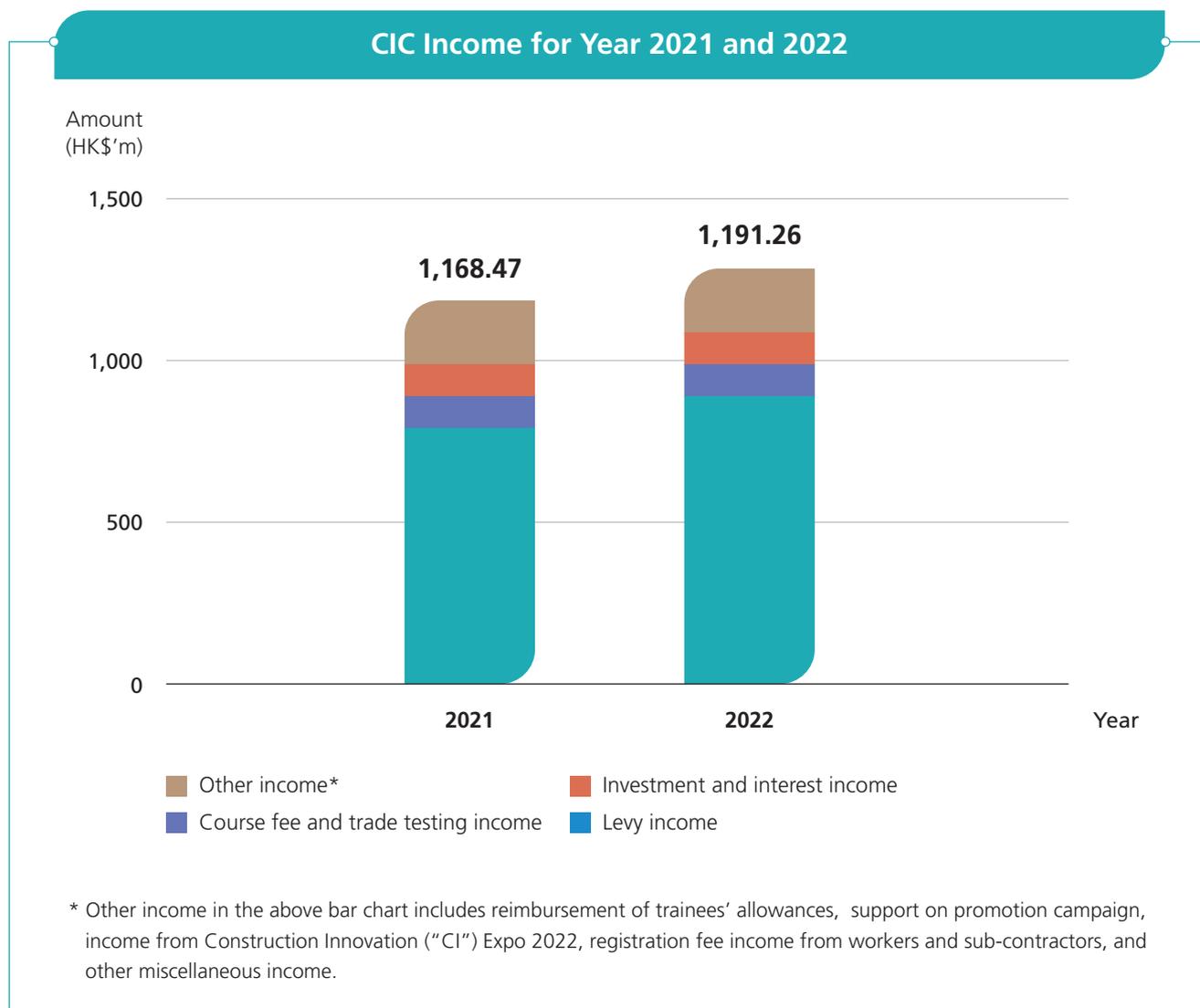
Based on the audited consolidated financial results for the year ended 31 December 2022, total income of CIC Group was \$1,191.26 million (2021: \$1,168.47 million), an increase of \$22.79 million or 2.0% against last year. Total expenditure for 2022 was increased by \$63.94 million or 5.6% to \$1,207.74 million (2021: \$1,143.80 million). The operating results for 2022 recorded a deficit of \$16.48 million (2021: surplus of \$24.67 million).

CIC Income, Expenditure & Surplus / (Deficit) for Year 2021 and 2022



HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

Total income of CIC in 2022 was \$1,191.26 million, an increase of \$22.79 million or 2.0% against \$1,168.47 million in 2021.



Levy income increased to \$1,059.88 million in 2022 (2021: \$1,056.12 million) and contributed 89.0% (2021: 90.4%) of total income. The 0.4% year-on-year increase in levy income in 2022 was mainly caused by the increase in Civil & Building works in public sector. Total levy assessed on the value of construction operations in the private and public sectors amounted to \$487.06 million (2021: \$491.92 million) and \$570.14 million (2021: \$563.30 million) respectively, representing 46.0% (2021: 46.6%) and 53.8% (2021: 53.3%) of total levy income. In addition, penalty on overdue levy and surcharge amounted to \$0.77 million (2021: \$0.82 million) and \$1.92 million in 2022 (2021: \$0.08 million) respectively.

Workers registration fee income for 2022 decreased to \$3.50 million (2021: \$5.49 million) due to amortisation effect of income from previous years.

Course fees and related income decreased to \$29.33 million in 2022 (2021: \$33.04 million) with lower income from commissioned courses.

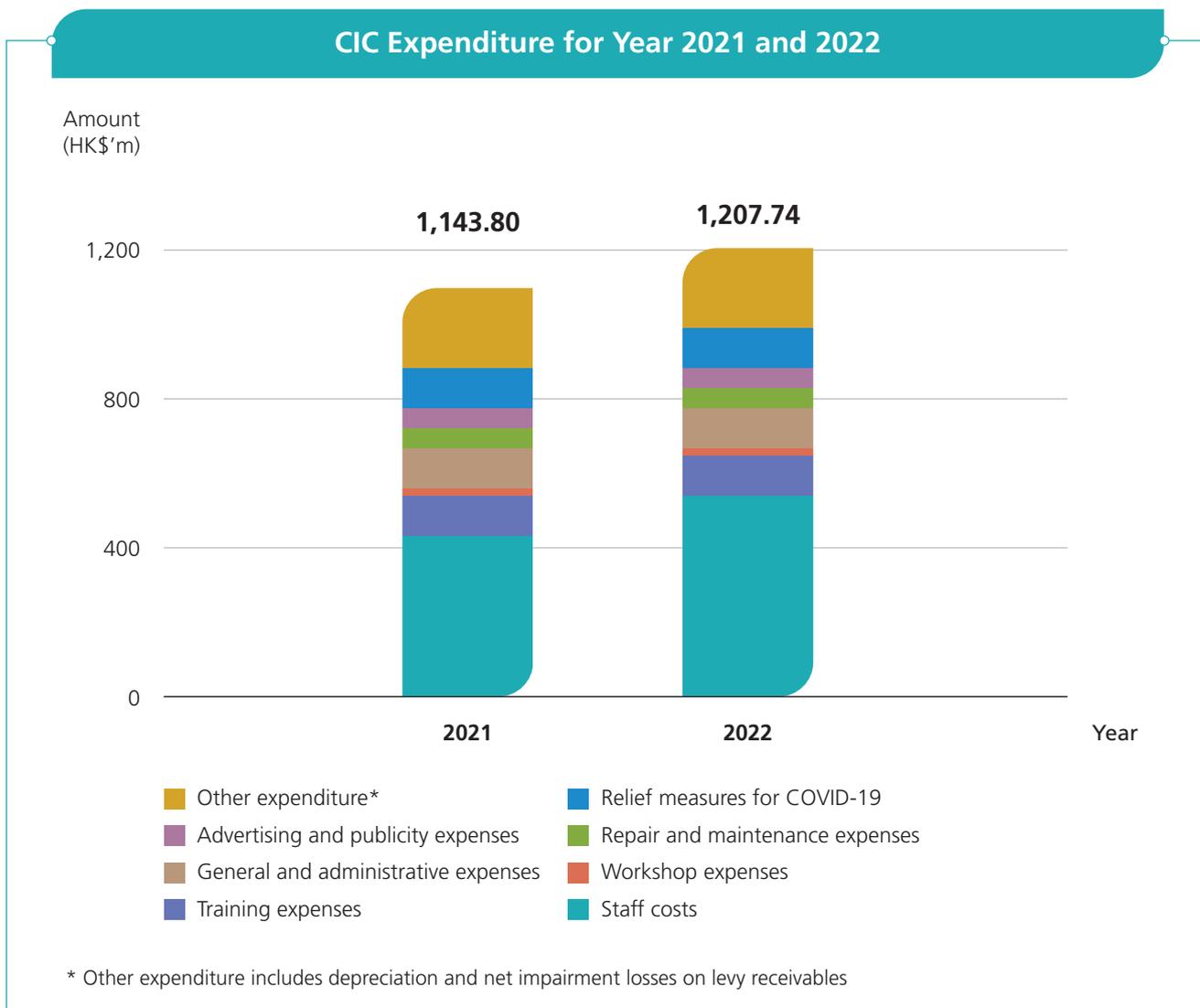
HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

Trade testing income for 2022 decreased to \$4.92 million (2021: \$5.29 million) primarily due to decrease in the number of trade tests conducted in 2022.

Investment and interest income for 2022 increased to \$32.94 million (2021: \$14.79 million). The increase in investment and interest income was mainly due to higher interest rates on time deposits.

Other income of \$60.68 million in 2022 (2021: \$53.74 million) mainly comprised of the reimbursement income of trainees' allowances from the Government under various schemes, including the Construction Industry Council Approved Technical Talents Training Programmes ("CICATP"), Intermediate Tradesman Collaborative Training Scheme ("ITCTS"), Urban Forestry Support Fund – Trainee Programme ("UFSF-TP"), Advanced Construction Manpower Training Scheme ("ACMTS") and other schemes, as well as other miscellaneous income. The increase in other income in 2022 was mainly contributed by increase in support on promotion campaign, income from CIExpo 2022, reimbursement from Enhanced Construction Manpower Training Scheme ("ECMTS") and UFSF-TP, which was partly offset by decrease in reimbursement from CICATP.

Total expenditure of CIC in 2022 was \$1,207.74 million, an increase of \$63.94 million or 5.6% against \$1,143.80 million in 2021.



HIGHLIGHTS OF AUDITED FINANCIAL STATEMENTS FOR 2022

Staff costs amounted to \$456.18 million in 2022 (2021: \$428.07 million). The increase of 6.6% was mainly due to annual salary adjustment and recruitment of additional staff for various departments.

Training expenses increased by 44.5% to \$226.83 million in 2022 (2021: \$157.01 million) mainly due to decline in training expenses in 2021 when accrual for trainees' allowances and trainers' subsidies of collaborative training programs were reviewed and adjusted. Other increase was mainly due to increase in training outputs.

Workshop expenses increased by 34.2% to \$32.24 million in 2022 (2021: \$24.03 million) mainly due to higher expenditure on consumable materials and tools, and restoration of trade test venues resulting from increase in training outputs.

General and administrative expenses amounted to \$94.25 million in 2022 (2021: \$100.67 million). The 6.4% decrease in 2022 was mainly due to lower research and studies expenses and consultancy and professional fees. They were partly offset by higher sanitation and cleaning, and internet and broadband services.

Repair and maintenance expenses amounted to \$42.08 million in 2022 (2021: \$36.44 million). The 15.5% increase was mainly due to higher maintenance expenses on computer equipment and software, and repair of workshop equipment machinery.

Advertising and publicity expenses increased by 57.5% to \$72.81 million in 2022 (2021: \$46.23 million) mainly due to CI Expo 2022 and publicity events of the 15th Anniversary of CIC.

Depreciation amounted to \$222.96 million in 2022 (2021: \$223.84 million), a decrease of 0.4% against last year.

Relief measures for COVID-19 decreased by 53.0% to \$59.35 million in 2022 (2021: \$126.35 million). In 2022, CIC continued to run Caring Fund which provides support to construction workers and their families infected by COVID-19.

As at 31 December 2022, the Council held a total of \$3,169.34 million as total fund and reserves, compared with \$3,185.95 million as at 31 December 2021.